FBIS DAILY REPORT

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RIVER PLATE BASIN FOREIGN MINISTERS MEET

Caputo Press Conference

PY181947 Paris AFP in Spanish 2300 GMT 17 Dec 84

[Text] Montevideo, 17 Dec (AFP) -- Argentine Foreign Minister Dante Caputo has noted the importance of redemocratization on the continent and of an active integration process that will make it possible for the countries of the southern cone to develop and progress.

Caputo arrived in Uruguay today to participate in the meeting of foreign ministers of the River Plate Basin countries (Argentina, Bolivia, Brazil, Paraguay, and Uruguay). He met with President-elect Julio Sanguinetti and reviewed with him the current situation in Latin America and the southern cone, as well as the future of relations between their two countries. At a press conference, the Argentine foreign minister stressed the importance of the democratic processes that are taking root in the region and which, he added, open the possibilities for true integration. In this regard, Caputo cited the example of the European nations, whose experience stemmed from the democracy under which they live. Those of us who struggle for integration, Caputo added, know that it is indispensable to forge ties among our countries, not only out of a general desire but for our own survival, because those ties are relevant for implementing an independent foreign policy in close regional cooperation.

According to Minister Caputo, his conversation with Sanguinetti dealt with practical and concrete steps that could take the hopes for integration and cooperation from rhetoric to fact. Caputo said that the future of Uruguayan-Argentine relations is promising and that they will set an example of cooperation and integration between two countries that are mutually dependent. Continuing to comment on his conversation with Sanguinetti, Caputo said that it expressed the will of the two nations to emphasize those objectives, and I believe that once the new Uruguayan Government is installed, adequate technical mechanisms will begin to operate in order to resolve questions that must be worked out. He then said that priority should be given to solving technical questions that prevent the two countries that are united by geography, history, and culture from expressing their political will. In this regard, the Argentine foreign minister noted that the political will must always prevail over the restrictions posed by technical matters.

On the other hand, Caputo said that the River Plate organization, which will open its meeting this afternoon at the resort of Punta del Este, 140 km east of Montevideo, has unfortunately lost its dynamism and strength, just like many other regional organizations. I believe, Caputo said, that the political and economic travails of our history have weakened this subregional mechanism, which must be reinvigorated on a realistic basis. To this end, he proposed that objectives that can be gradually attained should be chosen so that the organization can function more effectively. Caputo then said that Latin American integration must be based on identifying concrete tasks that must be in the interest of all participating countries.

Asked whether it would be convenient to reduce the number of existing regional organizations, Caputo said that the time has come to review all of the experiences that have been gathered, because we cannot afford to have institutions that lack dynamism and strength.

In conclusion, Minister Caputo expressed the intention of President Raul Alfonsin to attend the inauguration of President-elect Julio Sanguinetti on 1 March 1985, adding that the two chiefs of state should hold a meeting in the not too distant future.

Fernandez Meets Sanguinetti

PY181730 Paris AFP in Spanish 2337 GMT 17 Dec 84

[Text] Montevideo, 17 Dec (AFP) -- Bolivian Foreign Minister Gustavo Fernandez Saavedra recalled here today the persistance with which the Bolivian people, throughout extremely difficult years of struggle, have sought a democratic solution.

Fernandez Saavedra arrived in Uruguay a few hours ago to take part in the 15th foreign ministers meeting of the River Plate Basin (Argentina, Bolivia, Brazil, Paraguay, and Uruguay) which began today at the summer resort of Punta del Este, 140 km east of Montevideo.

Before the meeting began, the Bolivian foreign minister met with Uruguayan President-elect Julio Sanguinetti in Montevideo, to whom he conveyed the greetings of Bolivian President Hernan Siles Zuazo. After the meeting, Fernandez Saavedra commented on Sanguinetti's positive attitude toward his proposals on the regional issues, stemming from an exceptional political understanding which will, undoubtedly, help the efforts toward Latin American integration and bilateral relations between Uruguay and Bolivia.

The foreign minister stated that one of the most important subjects discussed during the meeting was the export of Bolivian products through the River Plate. He said that this possibility is subject to means of communication that will allow the easy transport of those products, and that those means of communication are mainly to be found in the River Plate system. According to Fernandez Saavedra, Bolivian trade relations require more concrete and specific navigation facilities in the River Plate region in order to improve Bolivian-Uruguayan relations, as well as to enable the transport of Bolivian products to third markets through Atlantic ports.

The Bolivian foreign minister said that President Siles Zuazo may attend Sanguinetti's inauguration ceremony next March and noted that the Bolivian democratic process is one of the most difficult ones the continent has experienced. Fernandez Saavedra stated that it should be recalled that the process is taking place in the midst of a serious and deep economic crisis with the natural result of social agitation. However, Bolivia is determined to build and consolidate a democratic system.

The foreign minister concluded that President Siles' government has shown generosity and has asserted his well-known democratic spirit by enacting the law calling electins in June 1985 as a contribution to the political stability and the construction of a permanent democratic system.

Alvarez Opens Meeting

PY181415 Montevideo Radio Carve Network in Spanish 0000 GMT 18 Dec 84

[Report from Punta del Este by Tomas Friedman]

[Excerpts] The president of the Republic, Lieutenant General Gregorio Alvarez, has inaugurated the 15th meeting of River Plate Basin foreign ministers here in Punta del Este.

In a speech delivered at the inaugural session, Lt Gen Alvarez stated, among other things, that in view of adverse foreign factors we should look to ourselves and seek the answers to the problems among ourselves. This answer is called integration. Once again, Alvarez proposed a meeting of Latin American presidents to find direct solutions to the crisis affecting the region. In a passage of his speech at the Cantegril Country Club, Alvarez stated:

[Begin recording] The political-institutional framework of our country is gradually consolidating greatly desired and unpostponable democracy, thus overcoming, with the active participation of our people and their government, the difficult times that have caused instability and division. This will create a new framework that will in the near future, by eliminating distrust and political opposition, allow us to expeditiously use not only the binational and multinational tools to promote commercial and economic exchange, but also to promote the achievement of the well-defined objectives of the River Plate Basin Treaty.

Regarding the River Plate Basin, Uruguay has always granted great importance to the ideals that inspired the treaty, regarding it as an effective tool to improve the already existing relations among the various sectors of its member countries, and to pool mutual interests for the well-being of the treaty area. However, at this particular moment there seems to be a certain slowdown in the drive that has characterized this organization since its creation. Therefore, the time has come to reassert our purposes. We are all aware that there is no point in having only one of our countries develop at the expense of its neighbors. [end recording]

Paraguay's Saldivar Address

PY182038 Paris AFP in Spanish 1354 GMT 18 Dec 84

[Text] Punta del Este, 18 Dec (AFP) -- Paraguayan Foreign Minister Carlos Agusto Saldivar said here today that his country's only way out of its landlocked situation is through effective navigation measures and facilities granted by countries that do have access to the sea. Saldivar, who is participating in the 15th meeting of the River Plate Basin foreign ministers, which is being held in Punte del Este, 140 km east of Montevideo, added that so far no agreement has been reached with Uruguay on the Nueva Palmira free zone. The Paraguayan foreign minister stated that a good performance by the River Plate Basin organization is very important for his country. He urged that action be taken on those projects on which agreement has been reached, but this should not mean that the other work of the subregional organization should stop.

Saldivar concluded by reasserting his confidence in the policy of the new Uruguayan democratic government, which will take over on 1 March 1985, and he conveyed his willingness to maintain ties with the new government on issues related to foreign relations and to agreements reached with the current military regime.

Maeso on 'Lack of Dynamism'

PY182052 Paris AFP in Spanish 1358 GMT 18 Dec 84

[Excerpt] Montevideo, 18 Dec (AFP) -- The Argentine, Bolivian, Brazilian, Paraguayan, and Uruguayan foreign ministers, who are meeting here for the 15th River Plate Basin foreign ministers meeting, have emphasized the lack of dynamism and drive that the subregional organization has shown over the past few years. This was revealed by Uruguayan Foreign Minister Carlos Maeso. He stated that this lack of dynamism is owing to the lack of political will on the part of each and every one of us to make the operative part of the organization a reality through clear-cut objectives and methods. According to Maeso, during the River Plate Basin meetings, which are to last until 19 December, the member countries will seek to reorganize the system through the necessary and indispensable infusion of that political will which the times and circumstances our peoples are expressing obviously call for.

ALFONSIN DELIVERS FIRST ANNIVERSARY ADDRESS

PY180308 Buenos Aires Domestic Service in Spanish 0000 GMT 18 Dec 84

[Speech by President Raul Alfonsin at Government Palace on the first anniversary of his administration -- recorded]

[Excerpts] Our democratic government and the Argentine people have spent a year together. Depending on the circumstances, 1 year is not usually significant in the lives of people, of institutions, or of countries. But this is not the case if it is the first year of life of a child. Then that year becomes the real essence of a new existence.

This first year is the fundamental attainment of many hopes, much love, many feelings, efforts, and marvels. Much like a new birth, it is like looking at the world around us after a journey in which the scenery appeared blurred and confused, just as a newborn needs time before his vision clears sufficiently to see things as they are and distinguish one from the other.

The newborn human being is a helpless being, incapable of standing by himself, unable to move by himself, and incapable of expressing himself. This first year for us has been equally difficult and important.

I thought that perhaps it would be necessary to review this first year. But I will speak to you with an objective spirit, without regard to vanity, sense of power, or much less, of course, of the concealment of truth.

I want to feel as if I were among you, as though we were in a family group. There is no sense, then, in speaking to you about the freedom that has protected our relations during this period. Our freedom is there. It is ours. If you have enjoyed it, then you know it exists.

Why speak to you about the economic situation if each of you has felt, one way or another, in your own experiences, how things have been with you. What can we do so the results will be equal for all? How can we tell you, as we have said, that the real salary has improved in absolute terms if some of you do not feel that way and if you have not experienced it yourself?

And although it is rather impossible to do so, I will try not to mention the terrible and heavy burden we inherited, because I fear very much that the Argentine people will soon think that such comments are merely excuses and not a reflection of the real situation. And the president of the nation needs to be believed, needs to have credibility, he needs the respect of his people, and not out of fear. He needs understanding and not a pardon. He needs to feel that he is truly being supported and not that he is only being flattered.

Two very serious problems that were blocking our political and economic development have been solved. The first is that of the foreign debt, which would still have a restraining effect if we had not achieved a solution, one which safeguarded our dignity, position, national interests, and negotiating prestige. We have unlocked the economy, and the multiplying effects of these negotiations will be felt within the short term when the economy is reactivated, when investment increase. Because if we do not create wealth, if we do not create jobs, if we do not generate new businesses that will yield more creativeness, new technologies, new horizons, more protection for Argentine families, we shall not be able to move into this new era and may be diverted from the path leading to the future.

Moreover, the Beagle treaty, which you approved in the first plebiscite held in the history of Argentina, will end the century-old disputes, aggressions, and misunderstainding that put thousands of men and materiel on the path of war.

Argentina, our country, is recovering a place of leadership at the international level. Today we can assert that Argentina is now part of the international community. We are again recognized, we again have the right to speak. We have ceased to be a country characterized by uncivilized, rash, and sometimes barbarian reactions and have become a country that can now sit at the negotiating table and start planning. We are a country at peace that wants peace and strives for peace.

No one will be sentenced because of the arbitrary or uncontrolled power of a few.

You are and will continue to be the protagonists [of this democracy], but of course in the measure in which you want to participate in it.

Let us look to the past to learn how to honor our dignified forefathers and to reject that which offended our dignity and our most noble feelings.

For many years Argentina was segregated from the Western world, that Western world that does not fall within the ideals of reactionary, authoritarian, and fascist groups, but which is based on respecting the people's opinion. International public opinion condemned the government, which was suffocating the aspirations and opinions of its own public.

But the government that assumed power on 10 December 1983 wants to govern with the ideas and participation of the Argentine public by questioning government actions, by issuing harsh criticisms, and also by making suggestions.

It is based on this position that this government is seeking to achieve a new place within the international community of nations, and within the Western world in close cooperation with those nations which like Argentina have been left behind because of an international order that has been established without taking into account the difficulties of those countries that have less. Argentina historically belongs in the democratic, pluralist West and wants to be respected in Washington, New Delhi, Moscow, Paris, Athens, Tokyo, and Algiers. It hopes that the developed world will be able to understand that democracy is threatened, that the West is threatened, by suffocating financial terms which reduce the aspirations of their people and impose limits on their living conditions.

The times we Argentines are now living through are difficult times. It would be a mistake not to recognize our problems. The prolonged stagnation of our nation's economy and problems. The prolonged stagnation of our nation's economy and the foreign debt are evidence of our problems and it would be an affront to the maturity of the Argentine people not to recognize them. The people who a little over 1 year ago recovered democracy, the people who on 25 November chose peace, these mature people are aware of the times they are living through. It would be an act of arrogance not to recognize our faults. A good part of our good intentions remained just that: good intentions. We are firmly committed to austerity and being more efficient. We have only partially achieved that. In some cases mistakes have been made which have been borne by the taxpayers, by the people who work and produce. We have not yet been able to promote a philosophy of efficiency, modernization, and service.

It would be improper to say that there was inefficiency in certain public services because of inherited problems. There are other causes which are the responsibility of this government and which must be corrected. Public companies must be modernized, and they must be made efficient as soon as possible. As the person responsible for the general management of the country. I call on the resourcefulness and effort of that vast contingent of public servants to consider themselves the main participants in the process of modernization and improvement of the public sector. All efforts should be aimed at achieving this indispensable objective. Therefore, all public servants must train themselves and work hard. The public sector must be the first to promote the debureaucratization of the country.

The Argentine development strategy today rests on two basic pillars: The recovery of investment, and the expansion of exports. First of all and as soon as possible, we must curb and reverse the drop in the investment rate which has taken place in the past few years. At current investment levels, the country is barely capable of financing the devaluation of its currency, and we are in fact consuming our wealth. Should this persist, the country will turn into a huge mausoleum of past years of splendor, which Argentina has had but has not been able to preserve and increase through continuous investment efforts.

Private investment must regain its leadership, and the state must complement it by joining it in the common task all we Argentines have undertaken. This task cannot be that of a country which has isolated itself from the trends of exchange and transfer of technology. It must be the task of a country which has regained its position in the world, not only as a civilized and democratic society, but also as an economy open to international trade, through a policy of exports of farming, livestock, and textile products.

In order to meet these goals, which are those of holding positions in a world market which is in a process of change, we will certainly need to have productive structures capable of adapting themselves creatively to the challenge of competition and to market conditions. The progress in agricultural production makes us feel confident. Our industrial production must make a similar readjustment to create a flexible structure in order to take advantage of opportunities. Our market is the world. I am certain that Argentine companies will know how to open a path to this market.

UK BANKS PARTICIPATE IN FOREIGN DEBT TALKS

PY181525 Buenos Aires TELAM in Spanish 1257 GMT 18 Dec 84

[Text] Buenos Aires, 18 Dec (TELAM) -- Economy Minister Bernardo Grinspun announced here today that the British creditor banks have confirmed their participation in the consortium of organizations which are renegotiating the Argentine foreign debt. Grinspun made the announcement this morning at Ezeiza Airport upon his arrival from Europe, where he has held several meetings with commercial banks belonging to the club of creditors to Argentina.

NEWS AGENCIES NOTE REACTIONS TO PERONIST SPLIT

PY182232 [Editorial Report] Argentine news agencies on 17 and 18 December carried reports on the apparent split in the Peronist movement resulting from the 15-16 December party convention. The following is a compilation of the most significant reports on remarks by various Peronist leaders on the situation.

Buenos Aires NOTICIAS ARGENTINAS in Spanish at 2012 GMT on the 17th carried a 2,500-word report quoting Peronist Deputy Norberto Imbelloni as saying that "those who walked out of the convention did so under the influence of a small group that had decided on this action before the convention began."

Imbelloni also said that "this small group, whose members I'd rather not name, does not want unity within Peronism. It is a minority that will have to go anyway."

La Rioja Governor Carlos Menem is quoted as saying that the Peronist convention that elected the new national council has been a "categorical failure for the party," and that Herminio Iglesias, the secretary general, is "anything but a Peronist." According to NOTICIAS ARGENTINAS, Menem, who was insulted and attacked during the convention, said that the "direct elections of its leaders" is the only alternative left for the party and that problems are being created by "those who stubbornly retain posts that the people have not entrusted to them."

The report also quotes Peronist dissident Deputy Norberto Guelar as deploring the events at the convention and as saying that it has no representativity, because "350 delegates walked out of the convention with the support of 99 percent of the nation's senators, 80 percent of the 111 national deputies, and the majority of the governors." The NOTICIAS ARGENTINAS report then quotes Peronist leader Juan Labake as advocating "reconciliation," because the party should "necessarily settle its differences." According to the report, the Peronist High Command, of which Labake is a member, will immediately meet "to analyze the situation and preserve party unity, since we believe there may be a split among its leaders."

The press agency also quotes General Confederation of Labor (CGT) leader Jorge Triaca as saying that "Peronism does not deserve actions of this kind," and that "these methods and procedures" are "symtoms of the great defeat" that the party suffered. According to the report, Triaca said that "Peronist workers cannot uphold this type of behavior," much less the attitude of those who "try the unions after failing in politics or try politics after failing in the unions." The report quotes Triaca as saying that th e party should be freed from the influence of individual leaders, because the party may otehrwise "run the risk of destruction." CGT leader Osvaldo Borda is then quoted as saying that problems will not be solved if party organs "do not act as seriously as they should," that he does not believe the party will split, and that the 62 Organizations should be reorganized because the participation of workers "is the main pillar of the movement."

The report also quotes Peronist leader Angel Robledo as deploring the incidents at the Peronist convention and as saying that two trends have emerged within the party: on the one hand the actions of "gangs and bullies," and on the other the people who want to find "a course with some prospects for the future." According to NOTICIAS ARGENTINAS, Robledo said that Isabel Peron's leadership "will not solve the crisis," because "things have gone too far." The report then cites Robledo as saying that the rump convention "is the first step taken by a large sector of Peronism which will put forward its ideas without preconditions," and that the party's decision to cancel his mandate as convention delegate after he agreed to work as an adviser for President Alfonsin is "illegal and against party regulations."

NOTICIAS ARGENTINAS also quotes Peronist leader Eduardo Setti as saying that "the methodology of Herminio Iglesias" prevailed at the convention and that Isabel Peron will now have to "clearly define her position on the reorganization of the party." Concerning the designation of Jose Maria Vernet as the party first vicepresident, the report quotes Setti as saying that in his opinion the post of governor is "incompatible" with the post of party vice president.

Buenos Aires DYN in Spanish at 1557 GMT on the 17th carried a 400-word report in which Peronist leader Eduardo Duhalde is quoted as saying that "after Lopez Rega, Herminio Iglesias is the man who has done the most harm to Peronism." Duhalde added that he does not recognize the authorities elected in the party convention and that the new leadership is a "mafia" that has used "violence, heavy-handedness, and fraud" to seize the party for themselves.

Buenos Aires TELAM in Spanish at 1343 GMT on the same day carried a 300-word report quoting Justicialist convention delegate Luis Rubeo as saying that "in the future, the Peronist leadership must be elected on the basis of consensus and not on disagreement," and that he "does not recognize"those who have assigned leadership posts to themselves, "neglecting the majority of the country."

NOTICIAS ARGENTINAS in Spanish at 1337 GMT on 17 December transmitted a 300-word report in which Radical Youth President Jesus Rodriguez advocates unity within the Peronist party, because the Radical Party wants a "united and combative" Personist party. The report also quotes Rodriguez as saying that "it is impossible to speak about national unity if parties are divided."

Buenos Aires TELAM in Spanish at 1350 GMT on the 17th broadcast a 600-word report quoting Senator Deolindo Bittel as saying that after the last convention, the party will be "strengthened" since the image of "vandals and gangs" will be replaced by the image of a "seriously structured" party. TELAM then quotes Bittel as saying that "we do not want anyone to be attacked with words or actions just because he has expressed his ideas," and that "dissidents have decided to demand that the convention be annulled."

At 1833 GMT the same day TELAM carried a 300-word report quoting national Senator Angel Celestino Marini as admitting "the possibility of a split within the party" in view of the party council's stance. The report quotes Marini as saying that Peronists need "reason" and not the actions of "armed groups."

Buenos Aires NOTICIAS ARGENTINAS in Spanish at 1049 GMT on the 18th in an 800-word report quotes surgeon Raul Mattera as announcing that he will not accept his designation as a national Justicialist Council member, a post to which he was elected in the party convention, because the designation was made in a manner that "will not strengthen the unity" of the Justicialist movement. NOTICIAS ARGENTINAS also quotes him as voicing his annoyance with the "attitude of force" that prevailed during the convention.

Buenos Aires DYN in Spanish at 0037 GMT on 18 December, in a 1,000-word report, says that a group of dissident convention delegates of rural areas has decided to declare the party convention void. It adds that the group will call for a new convention on 2 February in San Miguel de Tucuman and that the group claims to have the support of 414 of the 654 convention delegates. According to the report, a strongly critical document will be released condemning the "arbitrariness and sectarianism" that prevailed during the convention.

On the 18th, Buenos Aires TELAM in Spanish at 0142 GMT transmitted a 500-word report quoting Senator Orlando Britos, the coordinator of the Peronist dissident group, as saying that "there are no splits within the party and we do not want to cause one either." TELAM reports that Britos said that many delegates had to travel a long way only to find out that "everything had already been arranged, without either consultation or debate."

Buenos Aires TELAM in Spanish at 0417 GMT on 17 December carried a 300-word item that reported that the Peronist Town Council, a metropolitan organization, has issued a communique deploring "the sad show at the Justicialist Party convention, where the gang of Herminio Iglesias and Lorenzo Miguel finally showed its true colors." According to TELAM, the communique points out that the Peronists "have run out of patience."

Buenos Aires TELAM in Spanish at 0410 GMT on the 17th quoted Catamarca Governor Ramon Saadi in a 700-word report saying that the leaders elected at the party convention "are not recognized by the Justicialist majority." TELAM also quotes Saadi as saying that "there can be no splits because the Justicialist party majority remains united."

Buenos Aires TELAM in Spanish at 0427 GMT on 17 December carried a 500-word report in which Buenos Aires Province Justicialist leader Osvaldo Corti is quoted as saying that the doors of the convention "were not closed to the dissident delegates who walked out" of the Odeon Theater. TELAM says that Corti, who supports Iglesias, said that some people "made a hasty decision" and left.

Buenos Aires NOTICIAS ARGENTINAS in Spanish at 2250 GMT on 17 December transmitted a 900-word report that quoted Herminio Iglesias as saying that "whoever wants to should leave" and that it is not true that "300, 200, or 100 delegates," but only "some delegates," walked out of the convention. The report also quotes Iglesias as saying that even though the dissidents claim that they have the support of 500 delegates, "it so happens that during the convention I had the support of 550 delegates while the others only had 25."

UCR UNIVERSITY BRANCH SCORES U.S. AMBASSADOR

PY181645 Buenos Aires DYN in Spanish 2224 GMT 17 Dec 84

[Text] Buenos Aires, 17 Dec (DYN) -- Purple Stripe [Franja Morada], the university branch of the Radical Civic Union, [UCR] has voiced its objections to the presence of U.S. Ambassador Frank Ortiz at the graduation ceremony of Buenos Aires University on 12 December in the main hall of the medical school, because Ortiz' presence "hurts the anti-imperialist calling and militancy of the reformist students." A communique signed by Secretary General Jorge Canino and by Press and Dissemination Secretary Jose Spinelli states that "his presence, alien to our calling and militancy, makes even stronger our solidarity with the countries struggling for their liberation, especially our Nicaraguan brothers who every day resist the danger of an imperialist invasion." In conclusion, Purple Stripe states that "this way of struggle is the one that Hipolito Yrigoyen set for us through his Latin American vocation to resist social, economic, and cultural domination."

SWEDISH AMBASSADOR VIEWS CASE OF MISSING CITIZEN

PY182059 Buenos Aires DYN in Spanish 1611 GMT 18 Dec 84

[Excerpt] Cipolletti, 18 Dec (DYN) -- Swedish Ambassador to Argentina Bengt Friedman has denied that the Swedish Government exercised any pressure at various levels of the Argentine Government to achieve the resolution of the case involving the kidnapping and disappearance of Argentine-Swedish citizen Dagmar Hagelin. However, he emphasized that for many years we have shown great interest because we want to close this case and know exactly what happened. Until we learn exactly what happened, Friedman stated, we cannot regard Dagmar Hagelin as dead, because for us she is still alive.

Friedman denied that if the case is not fully resolved there would be a severance in relations between his country and Argentina. He stated that this is a matter that concerns Argentina and not Sweden, because all we want is to be informed. In the final analysis, this is a matter that concerns the Argentine justice system, Friedman added.

FOREIGN MINISTER SAID TO SUBMIT RESIGNATION

PY190136 Montevideo Radio Carve in Spanish 0000 GMT 19 Dec 84

[Report from Punta del Este, Uruguay, by Tomas Friedman]

[Excerpts] Thank you, Montevideo. The 15th meeting of the River Plate Basin foreign ministers will close on 19 December with the signing of a final document.

The Bolivian foreign minister -- who, as you know, has submitted his resignation, which has apparently been accepted by President Hernan Siles Zuazo -- is continuing to participate in the discussions. He has indicated that despite this new cabinet crisis, Bolivia will continue to make every effort to maintain a democratic government.

REPORTAGE ON PREPARATIONS FOR 1985 ELECTIONS

Government Candidates Named

PY181515 Paris AFP in Spanish 0217 GMT 18 Dec 84

[Text] La Paz, 17 Dec (AFP) -- It was learned here today from Nationalist Revolutionary Movement of the Left sources that Roberto Jordan Pando, an adviser to President Hernan Siles Zuazo, and Mariano Baptista Gumucio, Bolivian ambassador to the United States, are the government's candidates for president and vice president. The elections, which have been set for June 1985 after a serious sociopolitical crisis was overcome through Catholic Church mediation, will have two former presidents -- Hugo Banzer Suarez and Victor Paz Estenssoro -- as the canddiates who have the best chances of getting majority support.

The govenment's candidates will now begin a vast campaign to again promote the principles which the government has failed to apply in its 2 years in power. Jordan Pando is considered one of the most outstanding members of the Nationalist Revolutionary Movement. He is a member of the generation that emerged after the April 1952 revolution and has acted as planning minister and adviser to various international organizations in the United States and Peru. Before becoming Bolivian ambassador in Washington, Baptista Gumucio, who was also education minister, was the director of the daily ULTIMA HORA, one of the oldest Bolivian newspapers.

Schedule Detailed

PY181330 La Paz Cadena Panamericana in Spanish 1130 GMT 18 Dec 84

[Excerpt] According to the schedule for general and municipal elections approved by the National Electoral Board, the appointment of departmental electoral boards will have to be made before 31 December. The schedule is as follows:

14 December: call to elections;

10-20 December: drafting of the budget;

Until 31 December: appointment of departmental electoral boards;

Until 31 January 1985: selection of voting stations;

Until 28 February: preparation of materials, registries, indexes, voter identification cards, and miscellaneous items;

Until 5 March: registration of political parties, fronts, and coalitions.

MONETARY EXPANSION SURPASSES CEILING SET BY IMF

PY122142 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Dec 84 p 1

[Text] According to a report issued by the Central Bank yesterday, the figures for monetary expansion in November indicate a record high, far surpassing the ceiling agreed upon with the IMF in the sixth letter of intent, which is no longer valid. The printing of paper money increased by 12.6 percent, which represents the highest percentage since April. The means of payment (the money that the people have in hand and the deposits in banks) increased by 17.6 percent, which represents the highest percentage in the past 3 years. As a consequence, the accumulated monetary expansion over the past 12 months amounted to 183.5 percent and the means of payment increased to 166.6 percent, which represent the highest percentages in Brazilian history.

ITALIAN PRIEST TO BE EXPELLED FOR SECURITY REASONS

PY171535 Paris AFP in Spanish 2031 GMT 15 Dec 84

[Text] Brasilia, 15 Dec (AFP) -- Italian Catholic Priest Jeronimo Treccani of the Order of Mercy, who has been working in the eastern Amazon region for 4 years, will have to leave Brazil in 8 days because his presence is detrimental to national security, sources in the Brazilian capital reported today.

According to his lawyer Jose Carlos Castro -- who had defended French priests Francois Gouriou and Aristide Condamnes, sentenced for subversive activities and later released -- Father Treccani is preaching in the Moju region, State of Para, where conflicts over land ownership are becoming more frequent and violent all the time. He indicated, however, the local police have nothing against him.

RADAR SYSTEM INSTALLATION BEGINS IN SOUTH

PY182124 Rio de Janeiro O GLOBO in Portuguese 17 Dec 84 p 13

[Text] As of 15 February, when the first of a series of five tridimensional radars is installed in the south, Brazil will start to control civil and military air traffic in that part of the country and shortly thereafter on the borders with Uruguay and Argentina. The current Brazilian radar system only controls aircraft that overfly the ring formed by Rio de Janeiro, Sao Paulo, Belo Horizonte, and Brasilia. The rest of the country has smaller equipment that can only be used to aid the landing and take-off of aircraft.

The first tridimensional radar in southern Brazil will be installed in Santa Catarina, but it will be controlled from a special building in Curitiba. The hexagonal-shaped building is protected by a rampart like a bunker. The building has special rooms to be able to continue operations in the case of a nuclear attack. By 1988 this center in Curitiba will control five radars in the southern area, thus allowing the perfect surveillance of the area for two purposes: to protect commercial flights and the country in case of an air attack.

The new tridimensional radar, capable of detecting any object within a radius of 240 km, will be dedicated by President Joao Figueiredo in February.

The purchase of this radar has caused some controversy in the industrial sector and some objections have been made to the Air Force's decision to import it from the French Thomsom factory. Brigadier Mario de Melo Santos, president of the Commission for the Implementation of the System to Control Airspace [Comissao de Implantacao do Sistema de Controle do Espaco Aereo -- CISCEA], has explained why the equipment was imported.

"Brazil could produce tridimensional radars, but the cost would be very high because it would have to import the technology. Moreover, the possibilities of selling this equipment are very small, so its production by some enterprise would not be justified. Therefore, I do not hink that the criticism regarding the importation of this radar is justified. Of the total cost of the project, which includes small r 'ars and the engineering, Brazil has contributed 75 percent, which is an excellent index."

The production of the tridimensional radar for Brazil compelled the Thomsom enterprise to transfer technology to two enterprises in Sao Paulo -- Tecnasa and ELEBRA [expansion unknown] -- to produce auxiliary radars knows as ASR's (airport surveillance radars). The imported radars cost $8 million (24 billion cruzeiros), which is relatively low compared to that of a Boeing 767, which costs $100 million (300 billion cruzeiros).

Brig Mario de Melo Santos stated that thanks to the advanced technology imported from France, Brazil now can export services and equipment to Paraguay and Colombia. According to Brig Mario de Melo Santos, the radar network requires "armed support," which is provided by interceptor aircraft. In the center of Brazil (the Dacta I system), "Mirage" aircraft are in charge of protection and have already had the opportunity to intercept a Cuban aircraft that was flying without a license.

After installing the radars and creating the air protection system in the south (Dacta II), the Air Force plans to create an air control system in the northeast and in the Amazon area (Dacta III).

METHYL ISOCYANATE SHIPMENT RETURNED TO U.S.

PY171859 Sao Paulo Radio Bandeirantes in Portuguese 1555 GMT 17 Dec 84

[Text] According to reports, the 13,600 kg of methyl isocyanate -- dubbed the gas of India because of the deaths it caused in India -- that was to be unloaded from a ship in Rio de Janeiro, is being returned to the United States today.

U.S. SEEN AS FUTURE MAIN MARKET FOR FUEL ALCOHOL

PY140221 Brasilia Domestic Service in Portuguese 2200 GMT 13 Dec 84

[Excerpt] Speaking to the fifth national alcohol producers meeting being held in Sao Paulo, (Paul Tarso Flecha de Lima), chief of the Itamaraty Commercial Department, said today that the United States will in the near future become the main market for Brazilian fuel alcohol.

RANCAGUA CITY HALL BOMBED; 12 INJURED

PY190115 Santiago Domestic Service in Spanish 2200 GMT 18 Dec 84

[Excerpts] Twelve people were injured in this morning's attack in Rancagua against the Sixth Region intendant's office building located in downtown Rancagua. Although the damage has not yet been evaluated, it is believed that it totals 7 million pesos. The following is a report from Rancagua:

The Sixth Region intendant's office has issued the following official communique on today's incident:

The regional intendant's office informs the public that on Tuesday, 18 December, at noon unidentified persons carried out a bomb attack on the third floor of the regional intendant's office building. The bomb explosion caused considerable damage to the Regional Planning and Coordination Secretariat. Fortunately the attack did not result in any fatalities, but it did destroy all the windows in the building.

The regional intendant, who was in his office at the time of the attack, ordered the immediate evacuation of the building. Security organizations are carrying out the proper investigations. The communique, which is identified as No 68, is signed by Colonel Eduardo Silva Bravo, Sixth Region intendant.

We must add that the bomb, which was very powerful, was found by a feamle employee of the intendant's office in one of the restrooms. She immediately informed the intendant's office employees that she had found a regularly shaped package with a timing device on top of it. The regional intendant immediately ordered the evacuation of the building, located in front of the Plaza de los Heroes in Rancagua. The people were on their way downstairs when the bomb went off, causing a great noise and considerable damage to the building.

PINOCHET DISCUSSES POLITICAL OPENING, SITUATION

PY181736 Santiago Domestic Service in Spanish 1000 GMT 18 Dec 84

[Excerpts] President Pinochet has announced that a Christmas bonus will be granted to approximately 800,000 public employees and to Minimum Employment Plan and Occupation Plan for Heads of Families workers.

On another subject, the president said that from 2 to 9 March he will install the central government in Punta Arenas with most of his ministers, and he anticipated the possibility of his repeating this system in other regions of the country in the course of next year.

During the brunch granted to journalists accredited to La Moneda, the head of state commented on various matters. Concerning his recent meeting with political leaders, the president said that it was a comradely get-together to discuss a few matters. I am well aware, he said, that the political opening failed because the government supporters were unable to unite to fight the communists, adding that the executive branch wants them to unite in this struggle.

Asked about possible changes in his cabinet, President Pinochet categorically ruled out any such changes this year. Asked about political changes, he said: No, read the Constitution and you will have the answer to the country's future political developments.

The president said that 1984 was the hardest year in the economic aspect. However, he said, the reactivation measures have actually caused a 3.5- to 5-percent economic growth.

President Pinochet added: In 1983 we were pressured by the protest drives conducted by the opposition, but this method proved to be a failure this year. For this reason, we expect 1985 to be smoother in the political and economic aspects, enabling us to make acceptable progress at the social level. Considering the need to study the macroeconomy in order to establish major economic objectives, the government has entrusted this study to the National Planning Office.

As for the future political situation, the head of state expressed his belief that political groups will put pressure on the government, noting, however, that these groups will not voice their rejection of communism but rather will remain silent, as they are doing now.

Answering a question as to whether relations with the church would improve, President Pinochet said: I have always been respectful and obliging of the church and we have always listened to its requests in a polite manner, but in the political aspect, the church is one thing and the government another.

As for the peasant workers' note delivered (?by) the Chilean Bishops Conference, the president stated that he ought to say that the current government is the one that has granted the largest number of land ownership deeds. The agrarian reform was a failure because, although farmers were granted plots of land, they only endured hunger, said the president.

Commenting on the bishops' call for reconciliation, President Pinochet said: It was a very good and noble action through which the church gave a very good example of loving care and pity. The church always wants us to be upright people to forgive and forget grievous actions and offenses.

As for the peace treaty with Argentina, the head of state indicated that the presidential message to the legislative branch is under study. As it deals with a delicate matter, each word is being measured and each concept is being carefully analyzed, he said, adding that the bill will be submitted to the junta in the first days of January. President Pinochet indicated: The two countries together can amount to a great deal, but separated they will not amount to much.

As for the struggle against extremism, General Pinochet said that important steps have been taken, but noted that the action by the intelligence services is being hindered by the large number of injunctions being filed by the communists.

FOREIGN MINISTRY ON UN HUMAN RIGHTS VOTE

PY182020 Santiago Radio Chilena in Spanish 2200 GMT 17 Dec 84

[Excerpts] The Foreign Ministry today released a document stating the reasons on which the Chilean delegation to the United Nations based its decision to vote against the UN resolution on human rights and fundamental freedoms in Chile.

Chilean Ambassador to the United Nations Pedro Daza first recalled the legal obligation of the United Nations regarding, quote, promoting and stimulating the development of human rights in the world, without making distinctions as to race, sex, language, or religion by means of objective, universal, and apolitical judgements. That same obligation prohibits the United Nations from discriminating and being selective, unquote.

It will be recalled that on 14 December the UN General Assembly approved a resolution asking the Chilean Government to restore human rights and to lift the state of siege. On that occasion, Chile voted against the UN resolution, and Ambassador Daza based his decision on the fact that, quote, the resolution is not applicable because it is selective and irresponsible, unquote. Daza then said that the UN resolution against Chile responds to the interests of countries which do not respect human rights and which do not allow democratic principles, such as the socialist countries. He added that most of the countries that supported the resolution are seriously accused of violating human rights in their own countries. Daza accused the United Nations of not complying with its duty and of turning the human rights issue into a political question.

The same UN General Assembly approved three resolutions asking El Salvador, Guatemala, and Chile to respect human rights. In Chile's case, it concretely requires that the state of siege be lifted.

In addition, Foreign Ministry Under Secretary Commander Humberto Julio today said that Chile's relations with the United States are normal. Regarding the recent visit of U.S. congressmen to Chile, he said that it was positive and that it is a good thing that they are interested in getting direct information and in seeing the country's real situation. I wish, Julio said, that many of them owuld come to get a clearer view of the Chilean reality. Julio also said that the statements made by the U.S. Democratic congressmen who were in Santiago should not alter relations between the United States and Chile, or the domestic Chilean process.

TWO JUNTA MEMBERS IGNORE AD TRANSITION PROPOSAL

PY190127 Santiago Radio Chilean in Spanish 2200 GMT 18 Dec 84

[Excerpt] Chilean Air Force Commander in Chief Major General Fernando Matthei today said that when he receives the letter from the Democratic Alliance [AD], he will put it directly into a shredding machine. During a brief press conference at the Air Force Military Academy, General Matthei said that he still has not received the letter announced by AD spokesmen in which they propose a political plan for a transition to democracy.

Gen Matthei said that he carefully reads and replies to all the letters he receives. However, from the moment that this letter was publicized, he said that he has been treated disrespectfully, and therefore when he receives it, it will go directly into a shredder.

A few minutes ago, the government junta concluded a meeting at the Diego Portales building during which it was decided to return the documents on the bill on the political parties law to the fourth legislative commission for further studies. This was reported by Admiral Jose Toribio Merino after the legislative branch finished its meeting. Merino said that the bill on the new political parties will be returned to the fourth commission, and that the executive branch has sent the legislative branch two instructions about the formation of the regional councils of the national parties. These instructions are different from what is established in the original 24th article.

The commander in chief of the Navy, Adm Jose Toribio Merino, was asked by journalist about the letter sent by the leader of the opposition AD to the commanders in chief of the Armed Forces. Admiral Merino said:

[Begin recording] Yes, I received it, and I threw it into the wastepaper basket because it is not important. [end recording]

BETANCUR SPEAKS AT CLOSING SESSION OF HOUSE

PA180421 Bogota Domestic Service in Spanish 2022 GMT 16 Dec 84

[Speech by President Belisario Betancur Cuartas at the closing session of the House of Representatives in Bogota -- live]

[Excerpts] President Daniel Mazuera Gomez; Vice Presidents (Pedro Ruiz Mendoza) and (Silvio Bigia); Secretary General (Julio Enrique Laya); honorable representatives; ministers; military leaders; ladies and gentlemen:

Mr President, it befits a democracy, as you correctly stated, to divide power so that no one has so much that he could hurt others. When all is said and done, democracy is the least evil remedy that mankind has found to combat slavery and servility, as has been said so many times before.

From this perspective, perhaps democracy is not the best means to achieve absolute truth, which in itself is a very beautiful ideal. However, there is no doubt that democracy is the shortest and safest way to avoid errors, and, more important, to avoid conditions in which errors are perpetuated because someone has too much power.

Le us not deceive ourselves. In Colombia we do not want absolute unanimity nor do we consider ourselves the voices of redeeming and absolute truths that do not need the corrections and improvements usually prompted by criticism. This is the proof of the Colombian nation's vitality, which is currently being expressed in the Congress' free and responsible deliberations.

Extraordinary situations must produce extraordinary solutions. Not even the world's economy, much less our own, is undergoing a normal stage of development. Though we may try hard to compare the current recession with that of the 1930's, a larger number of dissimilarities than similarities stand out. It is enough to say that the inflation has come with stagnation; that the United States is no longer the biggest creditor, but has become the world's largest debtor nation; that the flow of finances have changed so much that nations that exported raw materials have become net capital exporter nations as is our case, while their exchange rates are weakening; and that the risks of collapse are multiplying because those nations are shut off from the export, capital and technology markets. Under these conditions, the lessons learned in the past could be inappropriate if formulas that were successful in the past are adopted as dogmas in a new and changing world.

To be sure, in that varied and interrelated world we must pay close attention to international world events. Honorable representatives, let us now quickly review those events. The commitment to formulate and promote an autonomous international policy, as we have been doing, is perfectly consistent with our nationalism and honors our origins. Within the context of the present world, our policy follows as reasoning that justifies it, independently of any mystique or nationalistic demogoguery.

The course and end of our war of independence were the foundations of our nationality and established our institutions' republican nature. Independent affirmation, national identity, and republican order are the features that are inextricably welded into our origins and that bestow a unique nature to the concept of the Colombian homeland.

In order to formulate a foreign policy, the important thing is not the material force one has to impose one's views, but rather the desire to earn the reespect of the other countries without having to resort to relations based on force. The distribution of that force, determined by territory, populations, natural resources and the economy, is a factor that becomes a mere statistic when it comes to adopting an international policy.

On the other hand, the value of that policy greatly depends on the support that it generates and on its influence on the behavior of other nations. It is to the value and effectiveness of our policies that we point when we call for Colombia to be given the title of moral power that Professor Luis Lopez de Mesa [not further identified] bestowed upon it.

While independence comes from the personal integrity to formulate and to autonomously maintain our own national interest, and requires moral force to promote solutions to the international problems based on justice, realism, and reason, that independence does not consist of any abstract desire to be different. Yet, it is not afraid to differ from any foreign power in its view of problems, whenever a calm analysis leads to diverging opinions. For example, honorable representatives, our nonalignment with either of the two blocs into which the political forces of our time tend to polarize at the universal level stresses the commitment of a country, which is weak in material terms, to play an active role in defining its own problems and in its interaction with the strong nations that uphold the same ideals of civilization.

In our case, we have stressed our commitment to an independent international policy that will allow us to pursue efficiently, at all levels, and especially in our own territory, the ideals of Western democracy and Christian culture. These ideals include, among others, a free economic initiative, guarantees of vivacity and spontaneity on the part of society's civilian sectors, and the formal autonomy of the political apparatus from the economic sectors.

Likewise, these ideals include democratic free play with the formal equality of political rights that is inherent in the system as a condition for legitimizing power. Those ideals, which imply diversity and even conflict, cannot be realized partially, but must be reaffirmed in all of their complexity.

The Justice Ministry is working, through commissions formed by groups of distinguished lawyers, to prepare plans for judicial careers and law schools, amendments to penal procedures, penitentiary and prison reforms, the reorganization of the judicial police, legal medicine, and criminal instruction. We hope that in 1985 the narcotics statute can be carried out in an attempt to give permanence to the laws to prosecute and sanction those involved in illegal activities linked to the drug traffic.

Honorable representatives, at this time I wish to reiterate the government's decision not to give up in its determination to fight head on, without restraints or weaknesses, the activity that has caused so much harm to the country and that will continue to cause much harm if the state does not use all of the available legal tools to wage a stronger battle against a plague that has caused so many victims, among them our unforgettable minister, senator, and friend, Rodrigo Lara Bonilla.

Honorable representatives, the government has spared no efforts in giving the congressmen the information they needed to make their wise decision. The ministers and other high-ranking officials have promptly responded to the summons made by the house and the president of the Republic has multiplied his formal contacts with the congress and with the leaders of the political parties in an attempt to hold discussions, define priorities, and explore alternatives. The urgent messages we have sent to the congress have been based on the fact that the opportunity to find solutions cannot be put off indefinitely because the bills presented must be implemented early next year, as was the case with the bill on fiscal matters which was needed to create restorative effects at a time when these are needed.

We are just passers-by, we are transient, we are ephemeral, but the state must remain strong as the supreme condition for a better future for Colombians.

Honorable representatives, without any reservations the government recognizes the eloquent and patriotic manner in which the representatives of the political parties acted in the House, especially the Liberal and Conservative representatives who, with their worthy and distinguished political and intellectual presence and with their constructive criticism, helped the congress to fulfill, as it did today in an excellent manner, its constitutent and legislative task. The illustrious spokesman of the historic groups and of other political groups presented effective proposals to the congress, several of whom today have become laws of the Republic. They also intervened in the analysis and debates of the official initiatives. thanks to their valuable suggestions, these were improved. This does not mean that the political parties, especially the Liberal party, relinquished their rights to criticize the policies of the government, as was done during ample debates to which the ministers and high-ranking government officials were summoned. I am proud to admit publicly that in this manner our political parties collaborated decisively to find solutions to the serious, urgent national problems while keeping their identity and autonomy that will allow them to present a 1986 presidential candidate as an alternative or a possibility for power.

I agree with the president of the House of Representatives, Daniel Mazuera, that this is a great congress, a great chamber. I have just expressed this at the Senate and I am proud to recognize this publicly before the Colombian people.

MINISTER CASTRO CRITICIZES M-19 ACTIVITIES

PA141408 Bogota EL TIEMPO in Spanish 12 Dec 84 p 1 A

[By Guillermo Perez]

[Text] Government Minister Jaime Castro was asked yesterday to comment on the activities of the 19 April Movement [M-19). These activities include requests for "voluntary contributions" as well as statements inviting drug-traffickers to murder U.S. diplomats. The minister said: "The M-19's ravings do not help the peace policy."

The official also announced that Congress will hold special sessions in January to discuss pending political and fiscal bills. He noted that an extension of the December sessions depends on how far along the budget bill is by Sunday.

Castro made his statement about the guerrilla organizations as a result of the unrest that the M-19's attitude has produced since the meeting between some M-19 leaders and President Belisario Betancur in Mexico, because the guerrilla movement has not given any sign that it plans to change, and it has gone on with its "voluntary contribution" requests.

Castro's statement that the M-19 is not helping the peace policy is added to President Betancur's statement that he is "perplexed" by the attitude of the movement.

The position of the M-19 has been contrasted with that of the Revolutionary Armed Forces of Colombia [FARC] which, according to many, is being more serious about complying with its commitments and has specifically stated that it wants to become a poltiical party and to function within the law. There has been no conplaint from the people against FARC. The M-19, however, has stirred up unrest because it has been involved in proselytism, the collection of funds, and other activities supported by the tacit threat of violence.

NUCLEAR ENERGY LAW PROPOSAL LIMITS FOREIGN ROLE

PA182201 Mexico City THE NEWS in English 11 Dec 84 pp 1, 8

[By Jeff M. Sellers]

[Text] The Administration's proposed legislation on nuclear energy limits foreign participation in its development and spreads the former activities of Uranio Mexicano (Uramex) across three agencies, leaving the 500 Uramex workers still on the payroll to seek severance compensation, officials said Monday.

Edmundo de Alba, director-general of research and development for the Secretariat of Energy, Mines and Parastate Industry (Semip), said at a press conference that the demise of Uramex will permit the development of nuclear energy with greater efficiency and state control, as the mining of uranium will become the exclusive domain of a Mining Development Commission.

The contracting of private firms for the extraction or refining of uranium will be abolished, De Alba said. Previously, Uramex contracted outside parties, usually foreign firms, for such basic phases of production, he said.

"The proposed legislation considers that contracting the services of foreign firms is no longer necessary in the area of mining," we Alba said. "There are some areas, however, in which Mexico is not self-sufficient, and in these areas, in order to be cost-effective, we will have to continue as we have done up to this point, contracting for certain specialized services from abroad." In the past, Uramex contracted with Spain for mineral refining.

Under the Nuclear Regulatory Law, published Dec 6, private firms are barred from participating in basic phases of production, "although the commission itself can participate with capital in other firms," the law says.

Uramex, born through a series of legislative acts in the 1970's has been inactive since May 1983 after a prolonged conflict with the Union of Nuclear Industry Workers (Sutin).

De Alba denied that the current legislation is an attempt to do away with the Sutin. He said the rights of Uramex workers "will remain safe" in accordance with Article 123 of the Constitution. Asked how workers of a company that will no longer exist can receive constitutional protection, he deferred to Roberto Bravo Garzon, chief adviser in the Undersecretariat of Energy.

"The closing of Uramex, in the event that Congress passes the initiative as it stands, would definitely not affect more than a proportionately small number of union workers and would not threaten the existence or life of the Sutin," Bravo Garzon said.

The number of workers affected would be 10 to 25 percent of the 2,000 Sutin workers now on the government payroll through Uramex and the National Institute of Nuclear Research (Inin), he said.

"From a strictly legal viewpoint, the initiative does leave the possibility that the rights of the workers in respect to Article 123 could be left unfulfilled," Bravo Garzon said. "The termination of collective contracts is subject to a series of rules, but the collective contract itself has a chapter designed precisely to provide for this situation."

Uramex workers have two options open to them, he said: They may seek employment with the new government agencies to be created in the nuclear field or they may venture through the legal system for indemnification.

"This will depend fundamentally on the individual and on the personal characteristics of each one of the workers," Bravo Garzon said.

Bravo Garzon was asked whether the workers are in a position to apply for new jobs with the government or to continue their fight with the labor authorities, given the belligerency of the labor dispute.

"That the workers have to define, I cannot define it for them," he said. "This would depend on the legal nature of the institutions to which they could lend their services, and then it would depend on their standing."

Under the new Nuclear Regulatory Law, Uramex's exploratory and prospecting activities would be taken over by a Mineral Resources Council; its mineral-metallurgic extraction would be taken over by a Mining Development Commission; its conversion, enrichment and manufacturing into nuclear energy would be taken over by Semip itself, as would the disposition of nuclear wastes.

Two other agencies would retain their responsibilities as per the previous law. The Inin will continue development, although with less independence from external control. And the National Commission of Nuclear Security and Safeguards will continue its regulatory and watchdog functions.

CARDOZE DISCUSSES CANAL TREATIES WITH SHULTZ

PA181842 Panama City Televisora Nacional in Spanish 0000 GMT 18 Dec 84

[Text] Panamanian Foreign Minister Fernando Cardoze Fabrega today met with U.S. Secretary of State George Shultz in Washington to discuss the relations existing between the two nations, including matters related to the fulfillment of the Panama Canal treaties and the provisions that are being made for the joint defense of the canal by Panama and the United States.

It was also announced that Foreign Minister Cardoze will meet tomorrow with U.S. Secretary of Defense Caspar Weinberger before returning to Panama in the afternoon.

The mission, which is led by Foreign Minister Fernando Cardoze and which includes Commerce Minister Bernardo Cardenas, National Investments Council Director Alberto Navarro, and Foreign Ministry adviser Marco Fernandez, also plans to discuss matters related to the economic relations between the two countries with top-ranking U.S. officials, including the way to best take advantage of the Caribbean Basin Initiative, which provides for many of the region's products to enter the United States duty free.

BANKS GRANT 90-DAY EXTENSION ON FOREIGN DEBT

PA181304 Panama City STAR AND HERALD in English 18 Dec 84 pp 1, 6

[Text] International banks have granted the government of President Nicolas Ardito Barletta a 90-day grace on its maturing foreign debt, an authorized government source confirmed Monday.

The agreement was reached Friday in New York City between the creditor banks' Steering Committee and the Panamanian Government represented by Minister of Planning and Economic Policy Dr. Recaurte Vasquez, the source said.

Although the banks do not normally concede this type of extension on payments, at least not easily, they recognized that recently the Panamanian Government had made "a significant effort" to create measures aimed at reducing the fiscal deficit, and to place the nation in condition to face up to its obligations on time.

Confronting Panama at the moment is the renegotiation of a $700-million debt before the end of the year with the International Monetary Fund.

President Ardito Barletta announced a series of austerity measures in November, including a proposed law that called for a seven-percent tax on services, among other things, that drew a nationwide protest. The President subsequently withdrew the law that he saw as urgently required in order to renegotiate the debt.

Ardito Barletta last week asked the banks for an extension in order to seek a solution to the country's fiscal problems and achieve a balanced budget.

The new agreement calls for a 90-day extension on each of the due dates on Panama's commitments between Dec. 17, 1984 and March 31, 1985, but under the same conditions of payments.

Panama's total foreign debt is reported at $3.5 billion by government sources, but private sources give the figure of $5.5 billion.

COCINA ANNOUNCES END OF 'FIRST STAGE OF STRUGGLE'

PA141706 Panama City LA PRENSA in Spanish 14 Dec 84 p 5 C

[Communique issued by the Coordinating Board for National Civilianization, Cocina; date and place not given]

[Text] The Coordinating Board for National Civilianization (Cocina) announces that it has successfully completed its first stage of struggle. The creation of Cocina has begun the march toward Panama's liberation. Our movement has achieved the following:

1. We have broken the bonds of fear that have held us back since 1968.

2. We have clearly enunciated the real causes of our problems.

3. We have obtained the government's promise to repeal Law 46. However, in view of the complete absence of government credibility, a promise to repeal the law does not suffice.

4. We have defeated the imposition of a new tax.

5. We have pressured the government to admit:

That there is government corruption and squandering of public funds.

That it is not prepared to voluntarily choose individuals who enjoy the necessary legitimacy to occupy the posts of comptroller general and attorney general. The government has admitted that both appointments require an honest process of popular consultation.

The need to reduce public spending and rationalize military spending.

The need to hold a side-ranging debate to determine the national budget and the budget allotments for state institutions, particularly the Defense Forces.

6. Through us, the Panamanian people have reaffirmed their desire for civilian rule.

These initial achievements have been possible thanks to the active participation of all Panamanians. We have learned that unity and perseverence are the Panamanians' best weapons.

After the mass demonstration of 12 December, Cocina will prepare itself to intensify its struggle until it achieves the complete fulfillment of its four goals:

1. The institutionalization of dialogue as a decisionmaking tool.

2. A complete cleanup of public administration.

3. The full recovery of all capital that was obtained illegally.

4. Exact knowledge of the budget and capital of the Defense Forces as a prerequisite to a drastic reduction in its budget.

Cocina, as the permanent organization it has become, invites the Panamanian people to give thought during this Christmas season to the achievements it has made in this first stage of struggle and to prepare to intensify the struggle for decency.

Our best lesson: A united people will never be defeated.

Mauro Zuniga, Cocina

PALA COMMUNIQUE DEMANDS PARTICIPATION IN GOVERNMENT

PA182154 Panama City CRITICA in Spanish 18 Dec 84 p 2

[Communique issued by the Labor Party on 14 December]

[Text] Communique to the nation:

The Labor Party (PALA), aware of its responsibility to the country and to its members, who by freely exercising their right to vote gave the current president of the republic an electoral victory, reports to the people that:

1. PALA, according to the results of the May and June 1984 elections, has become the party of the great nationalist hopes to defend the Panamanian people's interests, as proven by the political support obtained at the polls;

2. PALA has obligations and promises to fulfill with its members, who placed their faith in the party's interests;

3. So far, the government has made many promises but has given answers to very few problems, which has not allowed us to fulfill our party members' expectations;

4. Some parties of the UNADE [Democratic National Union] capriciously do not want to accept that PALA is a dynamic party with a great future that, therefore, deserves substantial participation in the administration, in accordance with its electoral contribution;

5. Many PALA members have been dismissed by government officials, member of UNADE's parties, and we have not received any explanation for this;

6. It is in our interest to alert our party members and to tell the president of the republic that he must comply with the commitments made with PALA and with the other members of UNADE and that we will respect these commitments as long as our legitimate political rights are respected.

7. We have noted with great concern that in the district of Panama City, contrary to what should be a government of coalition parties, not one single member of PALA was considered to occupy a post of national importance;

8. Let it be known that our party also knows all sorts of political tactics that we could put into practice if respect is not shown for our contribution;

9. PALA's top directors, together with its congressmen and national leaders, will persevere in their struggle to protect the best interests of the Panamanian people.

Carlos Eleta A., President

Ramon Sieiro M., Secretary General

PST SEES TRIUMPH OF POPULAR RESISTANCE MOVEMENT

PA182329 Panama City LA PRENSA in Spanish 17 Dec 84 p 26 A

[Communique issued by the Panamanian Socialist Workers Party [PST] on 17 December]

[Text] During the past presidential campaign, Ricardo Barria, in the name of the Socialist Workers Party, denounced the antipopular measures that would be imposed by the IMF directors, thus preparing the ground for the acts of resistance that the popular movement carried out on the streets over the past 4 weeks against the first measures of that plan for hunger and unemployment.

The warning issued by our presidential candidate was accompanied by the proposals that the people are demanding today in their struggle, such as a reduction in the National Guard budget, the recovery of stolen funds, the imprisonment of these thieves, and a moratorium on the debt within international financing organizations, accomplices of the regime, confirming Barrias' statement that "we eat or pay."

The people have gained strength from these activities and scored a smashing triumph over the government, forcing it to repeal Law 46, which is going to make it much more difficult to impose the next measures planned by the IMF.

The people now know their enemies: the IMF, the military, their government, CONEP [National Council of Private Enterprise], and the treacherous leaderships of Conato [National Council of Organized Workers], and Fenasep [National Federation of Associations and Organizations of Public Employees], who refused to participate in the protest movement thereby refusing to protect their affiliates who were affected by these measures.

Despite the elements within Cocina [Coordinating Board for National Civilianization] who did not want an alliance with the workers due to their ties with CONEP, which tried to destroy it on 25 November, this organization became the bastion of this popular struggle. That is why today it must continue struggling until it obtains the three remaining objectives. The next battle will be during the discussion of the national budget at the Legislative Assembly when Cocina must concentrate all of its forces to make the government allocate the funds required for education, health, and housing at the cost of the exorbitant National Guard budget and the payment of a multimillion debt the people never wanted. On this occasion, the Socialists will support these goals as we have always done.

Finally, we express our strongest protest at the savage repression unleashed against reporters Lisette Carrasco and Aurelio Jimenez, which also affected citizen Rogelio Romero and the director of the Isthmian Institute, Professor Marco Patterson, and against the agents of G-2 who are responsible for this attack following instructions from the General Staff, who wanted to avenge the defeat suffered by the popular movement.

Socialist Workers Party, 7 December 1984

Professor Jose Cambra, [cedula] 8-161-642

EL SALVADOR

DUARTE VETOES ARTICLE OF ELECTORAL LAW

PA190404 Hamburg DPA in Spanish 0310 GMT 19 Dec 84

[Text] San Salvador, 18 Dec (DPA) -- Salvadoran President Jose Napoleon Duarte promised tonight to defend the Salvadorans' right to elect their deputies and mayors freely. In a message broadcast on a national radio and television network, Duarte stressed that he will make use of his constitutional rights to prevent anyone from using powerful sectors to impose themselves on the people.

Duarte added: "I think that the logical and sensible path is to let the people decide, and this is what elections are for."

In referring to the rightist parties that amended Article 59 to the effect that relatives of the president, up to the fourth degree of consanguinity, cannot be candidates for mayor or deputy, Duarte said: "They do this today, and tomorrow they will do something else," in order to keep building up attitudes through legalistic conditions with the sole intention of "preventing the people from making free decisions."

Duarte's son, Alejandro Duarte, is currently the acting mayor of San Salvador. The top leadership of the Christian Democratic Party has nominated Alejandro Duarte as mayoral candidate for San Salvador and asked President Duarte to veto the article preventing him from running. Today Duarte vetoed part of the new Electoral Law that will regulate the legislative and municiple elections scheduled for 17 March 1985.

The rest of the articles in the Electoral Law were ratified by President Duarte and published today in the official gazette, which means that the law will go into effect within 8 days.

MSGR RIVERA Y DAMAS ON DIALOGUE, TRUCE

PA190110 San Salvador Radio Cadena Sonora in Spanish 1200 GMT 18 Dec 84

[Report by Alberto Barrera]

[Text] San Salvador Archbishop Msgr Arturo Rivera y Damas told this radio station that despite pressures, the only solution for the Salvadoran conflict is a dialogue between the government and the guerrillas. This was his answer to an article in a local newspaper asking him to abandon his role as mediator and leave politics alone. The Catholic Traditional Movement [Movimiento Tradicional Catolico] released a communique holding the hierarchy responsible for the creation of a popular church that they describe as a subversive appendage. In its communique, which was released yesterday, the organization expressed its opposition to a dialogue between government and guerrilla representatives, who have met twice. Questioned on this, Msgr Rivera y Damas told this radio station:

[Begin recording] [Rivera y Damas] I want to thank the person who pointed the public letter out to me that appears on page 53 of the newspaper. I usually read the first pages, the editorial page, and the social section. With this perusal, I feel satisfied. I have read the document and understood its message. First, the document opposes a dialogue for peace, contrary to the humanization of the conflict.

It advocates the continuation of war and, consequently, opposes the feeling of most Salvadorans. Second, in an effort to be stronger, the document wants to discredit me morally and resorts to the easy trick of blaming churchmen for what happens in the country. We all know the deep causes of the conflict, its ideological implications, and the foreign interventions that make this conflict complex and dangerous. Third, the document contains a disguised threat.

Now, my personal opinion, not on the document but on my stance, is this: I maintain that a dialogue is the rational, humane, and Christian way to solve conflicts. This is the doctrine of the one, sacred, Catholic, and apostolic church. Pope John Paul II's latest document on reconciliation and penitence, dated 2 December 1984, is the most recent and clearest proof of this contention.

In the specific case of El Salvador, the Episcopal Conference has released more that one document recommending a dialogue and so has the pope. Of course, I have always said -- that is, since 11 April 1980 when I was appointed apostolic administrator -- that a dialogue is a real need. I believe violence engenders violence and the conflicts that last too long affect not only man's body, soul, heart, conscience, intelligence, and will, but other peoples in other geographical areas as well. I am sure we have already realized this.

As a pastor, I am in charge of many souls. There are more than 2 million in this archdiocese alone. I watched over more than 2.5 million while a pastor in Santiago. This is what moves me to give sensible advice. I think all sensible Salvadorans expect our conflict to be solved through peaceful means. There have always been some who oppose dialogue. However if we all abhor war and want it to end, we must seek an alternate solution unless we want war to continue and become regionalized, and to suffer a more direct foreign intervention.

Regarding my role as moderator of the special mixed commission, I must say that I am moderator by the designation of all Salvadoran bishops. This only complies with the accords reached in La Palma according to which a bishop designated by the church would act as moderator. However, I can see that the road to peace is not easy. Yet, this is the challenge at present and I accept it.

I have just received a phone call from Rome telling me that my superiors are happy over my stance. They pray for me and urge me to go ahead. For this reason, as in all things, six of one and a half dozen of the other.

[Barrera] In the same communique that appeared in EL DIARIO DE HOY, it is said you have been pressuring the military high command through your courses to humanize the conflict and uphold human rights as a compulsory psychological commandment. It has also been said that your stance has gone so far as to blame the military, such as Colonels Monterrosa and Ochoa, for the death of the so-called martyrs. What do you have to say about this?

[Rivera y Damas] First, I am happy about the high command's efforts to humanize the conflict. I am also happy for these courses on humanization. The courses were not offered through pressure on my part, but I have approved and praised them. The rest has been the interpretations of some interested parties. Consequently, I have nothing to say on them.

[Barrera] I visited La Palma Saturday. Some 4th zone Army officers were sworn in. Colonel Blandon said, and this was also published by LA PRENSA GRAFICA on the same day, that the Armed Forces will not accept a truce that is not originated legally. This contradicts a statement by Deputy Security Minister Colonel Lopez Nuila who said that the Armed Forces would only act as vigilants. What is your opinion on this?

[Rivera y Damas] I think what the people expect should be taken into consideration. The people are happy about and consider the extension of the truce very positive. Christmas is man's festivity because it's during that time that the Son of God takes our nature upon himself for us to rise to the stature of gods, as one might say. For this, everything that humanizes and somewhat softens the sorrow and grief that war brings about should be taken into consideration, particularly by those who bear the heaviest burden, such as the Army members and guerrillas.

[Barrera] Do you think the possibility exists for another government-guerrilla meeting?

[Rivera y Damas] I think this is the way. All peoples of the world look toward El Salvador and expect this. Formerly, the image cast by El Salvador was one of a barbarous people, while today that image is that of a people looking for a civilized way to solve its conflicts. The people do not fear defending [words indistinct]. For this reason, I believe the road started is the only one.

[Barrera] Would you like to add anything else for our radio listeners?

[Rivera y Damas] A warm greeting to all Salvadoran people, particularly Catholics who believe in pastors, who, while even taking risks, seek more rational ways that are more in harmony with the Gospel. [end recording]

FMLN SABOTAGES POWER LINE; RIGHTISTS ON VETOED LAW

PA182201 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 18 Dec 84

[Report by Raul Beltran]

[Excerpt] Last night FMLN sappers dynamited high-tension power lines in Usulutan Department, leaving La Union, Morazan, San Miguel, and Usulutan Departments without energy. Spokesmen of the Lempa River Hydroelectric Executive Commission, CEL, have reported that energy has been restored in Morazan, La Union, and part of San Miguel Departments through the turbine-driven, diesel-powered energy plant in San Miguel. Usulutan Department, however, has remained without energy, as have areas in western San Miguel Department, including Chinameca.

This dynamiting occurred despite the appeal by eastern area residents over the weekend for the guerrillas to let them have energy at least during the Christmas season. Area residents have spent the four previous Christmas seasons in darkness because of guerrillas' dynamiting power lines. CEL officials said they still have not determined where this dynamiting action took place.

Meanwhile, anti-guerrilla actions have continued in Santiago de Maria, Alegria, and Berlin, in Usulutan Department. According to reports by civilians, at least three battalions have been deployed to the area to protect the rest of the coffee crop in the main villages of the area mentioned.

High military officers of the Salvadoran Army said today that the Armed Forces will continue patrolling highways and carrying out anti guerrilla actions throughout the country for the rest of this year. In addition, the Catholic Church has expressed concern about the compliance with the cease-fire requested by the church during the recent meeting between government officials and FMLN-FDR representatives in Ayagualo.

Furthermore, the extreme rightist parties that have continued preparations for an alliance to participate in elections for mayors and deputies to be held on the third Sunday in March deem it extremely dangerous for President Jose Napoleon Duarte to veto the electoral law in order to allow his son Jose Alejandro Duarte to be a candidate for the mayor's office. Rightist parties' spokesmen interviewed this morning declined to make any further comments on this. They said, however, that parties might elect not to participate in the elections for mayors and deputies if Duarte does decide to veto the electoral law. The parties have said that the coming legislative assembly's board of directors could not function without the participation of the parties about to enter the alliance. The parties, however, did not specify the nature of this warning.

HONDURAS

DEPUTY ADVOCATES EXTENDING SUAZO'S TERM OF OFFICE

PA190427 Tegucigalpa EL HERALDO in Spanish 14 Dec 84 p 1

[Editorial: "Continuation"]

[Text] Antonio Ardon Fuentes, deputy from Ocotepeque, has struck again. This time he has announced that "conditions do not warrant general elections in 1985," and that for this reason Suazo Cordova's term must be extended. Ardon advocates a 6-year term for the current president, who Ardon said he is trying to please through his little campaign for continuation. Sometimes we even think that this commotion that has arisen so soon was caused by the president himself and his personal candidate, [not further identified] thus generating a violent popular controversy that ended up in racial confrontations that we repudiate openly [not further explained]. This quarrel apparently was aimed at heating things up so that people could reach the conclusion that it would be best to extend Suazo's term for 2 additional years through a constitutional loophole rather than having the political struggle lead to real confusion. We believe that Honduras is not prepared for tests of strength, nor do we believe that the country can withstand much pressure. The deputies are the first to greet this idea of an extended term positively, because in this manner they would continue earning 5,600 lepiras monthly distributed in 24 pay periods. This would amount to 134,000 lempiras. Despite this tempting offer, however, there are signs of resistance in the lucid and analytical minds of those who fully understand the implications of such lunacy.

SUAZO CORDOVA SPEAKS AT COMAYAGUA CEEREMONY

PA182237 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 17 Dec 84

[Speech by President Dr Roberto Suazo Cordova at dedication ceremony for public lighting system in Comayagua on 16 December -- recorded]

[Text] I was extremely surprised at the statements by Dr Carlos Roberto Reina, a person I greatly admire. It surprised me that he used the harsh words of his brother Jorge Arturo: "to put the bit on the Arab horses, the Honduran donkeys, and the crafty witches of La Paz." That does not bother me at all because I do not wear silk ties or slippers. [applause] Although I am the president of the Republic, I am still a citizen and willing to defend myself from all attacks. As I said, that does not bother me. However, it concerns me deeply that a person with so much culture and with such capability as Dr Carlos Roberto Reina did not stop his own brother from expressing such vulgarities that are offensive, not to Suazo Cordova, but to our people. [applause]

I do not want to enter into polemics with them, but any personal reference they make I will have to respectfully answer because, as I said, I am deeply concerned that such a decent, capable person as Carlos Roberto Reina should become so violent. A politician should always be calm, following the conduct of Suazo Cordova, which no one will change. The Honduran people placed their trust in me and I will not let them down, despite the economic difficulties we have been facing. We have upheld the parity of the lempira. We have worked hard and we will continue to do so to see what else we can do for this country. We shall maintain our efforts to improve our economy so the next government well be able to continue working intensely.

The upcoming electoral process will be free, fully guaranteed by the president of the Republic, and fully supported by the Armed Forces, which have shown loyalty to the Honduran people, to the Constitution, and to the president of the Republic. I know that some of the Honduran communists dislike my referring to the military men as my comrades in arms, but I am the commanding general of the Armed Forces [applause]. In fact, in order for them to dislike it even more, any day now I am going to arrive at the presidency in fatigues. [applause]

The military maneuvers with the United States will take place, based on the agreement signed in 1954 by the democratic president of the National Party, to properly prepare our Armed Forces. It is not a matter of an arms buildup. I would like you to visit the port of Corinto and see the unloading of thousands and thousands of tons of war materiel being sent to Nicaragua by international communism. Of course, to them this is not an arms buildup. Naturally, they would prefer that we not train our Armed Forces because it would be easier for them if we remained weaker. However, we trust that the Hondurans and our Armed Forces will always uphold peace, tranquillity, our national sovereignty, and territorial integrity. That is why everywhere I go I exhort our people, regardless of political leanings, to cooperate with our Armed Forces and to keep our country free of conflict.

Now, referring to the Rodista Liberal Movement, I have already said that it is the strongest current within liberalism. The Liberal Party will always be united in the end. Sometimes, I feel sorry for those who voiced their hatred for Rodas yesterday. Now that he is dead, they say beautiful things about him. They should have voiced their support while he was alive. We respect and admire Rodas, although some think we do not. The Rodista Liberal Movement is already a firm community.

BRIEFS

TRADE WITH EL SALVADOR -- Tegucigalpa, 8 Dec (ACAN-EFE) -- In Tegucigalpa today, high-level commissions of the Honduran and Salvadoran Governments agreed to expand bilateral trade beginning on 17 December. Negotiators approved tax exemptions for raw materials, plastic agents, chewing gum, and textile dyes, among other items. Also, new products were added to the exchange list of the bilateral agreement signed earlier by the two countries. Further negotiations on exchange rates and the inclusion of more items on the exchange lists will continue in late January. [Summary] [Panama City ACAN in Spanish 1500 GMT 8 Dec 84 PA]

NICARAGUA

FORMER FRENCH PRIME MINISTER MAUROY ENDS VISIT

PA181351 Managua BARRICADA in Spanish 16 Dec 84 p 12

[Excerpts] Former French Prime Minister Pierre Mauroy yesterday bade farewell to Nicaragua after asking the international community to help Nicaragua at this time "when it needs the help of all the world's peoples."

Mauroy was seen off at the Augusto Cesar Sandino International Airport yesterday by Rafael Cordova Rivas, a member of the Junta of the Government of National Reconstruction; and members of the cabinet.

He was bade farewell with the honors accorded to distinguished visitors. Shortly before leaving, he said: "I know about Nicaragua's problems and I am convinced that we have a duty to continue to support the just cause of the people." He described the visit as "useful, instructive, effective, and pleasant."

Referring to the request of a resident of the San Judas neighborhood who in the "Face the People" program asked for French aid to solve the water shortage problems in southern Managua, he said: "We are willing to cooperate to solve this problem."

PLANNING MINISTER RETURNS FROM CEMA TOUR

PA190343 Managua Radio Sandino Network in Spanish 1200 GMT 18 Dec 84

[Text] Planning Minister Commander Henry Ruiz returned yesterday from a visit to CEMA member-countries, where he signed important agreements. The tour of CEMA countries began on 19 November with a visit to the USSR, where he signed commercial, credit, and cooperation agreements to strengthen our economy and our capacity to oppose the aggression that U.S. imperialism is carrying out against us.

The Junta of the Government of National Reconstruction issued a communique describing the tour as highly positive and extremely beneficial for the solution of the problems that the Nicaraguan Government is facing. Planning Minister Ruiz was accompanied on his tour by Transportation Minister Carlos Zaruk and other top government officials.

WHEELOCK EXPLAINS MIDINRA'S 1985 GOALS

PA181735 Managua BARRICADA in Spanish 17 Dec 84 p 5

[Text] Speaking at the closing of the annual evaluation assembly of the Agricultural Development and Agrarian Reform Ministry, Midinra, at the Cesar Augusto Silva Convention Center on Saturday, Commander of the Revolution Jaime Wheelock, Midinra minister, said that the revolution's guidelines for 1985 are mainly directed at strengthening defense in an integral manner and halting inflation and the financial imbalances by an increase of staple goods production and agricultural exports.

The assembly, which was named Heroes and Martyrs of the Agrarian Reform, ended 2 days of work with Wheelock's speech to the deputy ministers of Midinra and of other ministries and the presidents of the country's most oustanding cooperatives. The meeting was also attended by the widows of Midinra officials who were killed by counterrevolutionary bands while working in the war zones.

Referring to the general framework of the revolutionary process in 1985, the Midinra minister stressed that the crisis that we have experienced since the revolutionary triumph will continue to be affected by the downward trend in the international prices of our raw materials and the heavy military expenditures that must be allocated to strengthen defense.

"The aggression continues while the people continue to be an unyielding bastion in the defense of sovereignty and the revolutionary achievements," Wheelock added. He said that although there is a wave of solidarity with Nicaragua in the world that even includes U.S. allies, "the main obstacle to the aggression has been the effectiveness of the revolutionary defense."

Regarding the latter, he said that the breakup of the counterrevolutionary plans does not mean that the mercenaries have been defeated or expelled from the country since they have a rearguard and massive aid from the CIA assured.

"We have been advancing in the strategic plans while imperialism and the counterrevolution have been turned back. That is why they tend to use terrorism or rather a cruel campaign of killing workers, peasants, women, and children," Wheelock emphasized. In 1984 alone, the agrarian reform sector has lost 270 people and had 30 wounded and many kidnapped by the bands.

This year almost $250,000 were lost in material damage caused by the mercenaries in the border areas. Wheelock called for resolute support of the defense needs, making sure that these will not conflict with the production needs. He asked that the officials strictly fulfill the precautionary measures established by the military forces in the war zones.

Commander Wheelock also referred to the main difficulties of the economy, stressing that its development is negatively affected by the existence of a growing speculative market that restrains the economic mechanisms. As part of the guidelines that Midinra will follow to fulfill the productive goals, he said that the cooperatives must be strengthened and consolidated and that an adequate policy must be established for the agrarian reform settlements which are an alternative for the defense of production in the zones affected by aggression.

Regarding agrarian reform, he said that the time has come to consolidate the transformations and he warned that in the case of the state enterprises "we are going to give them a character that is more in line with the principles of the revolution."

In this sense, the efforts of enterprise management must be directed at making the workers feel the links between the results of their work and not only the benefits it brings to the revolutionary process but also the way that it will affect the workers' living conditions. Wheelock said: "The objective of the existence of the state enterprises is the satisfaction of the material and social progress of the people. We need to implement a method for their development that is based on a system of organization, planning, control, and management of the enterprises."

He added: The first political, legal, and institutional instruments have been created along these lines. The relations of production must now be changed to make each worker feel committed with the economic results, he added.

Regarding the production goals for the 1984-1985 period, Wheelock said that the country expects to obtain a harvest of 6 million quintals of cotton, 1.25 million quintals of coffee, 3,323,000 tons of sugar, and 289,000 quintals of sesame. He also warned that food production must increase to compensate for future restrictions on the import of these products and he acknowledged that there must be more promotion of contingency plans.

In conclusion, Jaime Wheelock said that the 1984 production is expected to be maintained in 1985, adding that this goal takes into account the fact that defense will continue to be a priority and that everything that contributes to strengthening it will be considered foremost.

COMMISSION DISCUSSES REGIONAL ETHNIC AUTONOMY

PA181713 Managua BARRICADA in Spanish 17 Dec 84 p 5

[Text] Puerto Cabezas -- Regional autonomy for the ethnic groups of Nicaragua's Atlantic region was the topic discussed last week by representatives of the Miskito, Sumu, mestizo, and Creole communities and prominent members of churches and social and development organizations. The national commission created to draw up a draft of statutes that will guarantee the exercise of autonomous rights by the ethnic groups concluded the first phase of its extensive plan of consultations.

For 5 days Orlando Nunez, Ray Hoocker, Wenceslao Galio Guardian, and Manuel Ortega held meetings with representatives of the various sectors. This shows the interest that the discussion of autonomy has awakened within the revolutionary government's efforts to fully integrate the Atlantic region with the Pacific region. The declaration of principles issued by the Indian communities in August 1981 falls within this framework.

A group for examining the issue of autonomy has been formed in Puerto Cabezas. It was convened by the regional government and is made up of Miskito, Sumu, Creole, and mestizo leaders and prominent members of the church, political and social groups, and development organizations. The first meeting held by the national commission was with this group. It was described as a very positive meeting due to the valuable contributions and observations that were made during the talks.

The commission received extensive reports from the regional government on the main social and economic plans being carried out since the revolutionary triumph in Special Zone 1. It also held separate consultations with the regional delegations of the main state institutions and the mass organizations. The activities of the commission included a lengthy meeting with Miskito leaders of the Tasba Pri settlements, including Minerva Wilson. They expressed their viewpoints on autonomy.

The subject was also discussed at the annual meeting of the Moravian Church Council of Representatives. In their consultations, the commission members also spoke with representatives of other organizations.

After these meetings, the national commission, on the basis of the contribution from the various consulted sectors, established 10 minimum points in order to advance in the process of reflection and consultation.

These points include the following: Autonomy is an essential aspiration of the residents of the Atlantic coast and it constitutes one of the points of the Sandinist people's revolution. It means equal rights for all the enthnic groups: choosing their own authorities; and access to the land and the natural resources of the region to improve the standard of living of its residents and to promote the development and transformation of the Atlantic sector.

Another aspect is that autonomy means education in their own language, the exercise of their own beliefs, the promotion and preservation of their culture, and the strengthening of national unity. There was consensus on the fact that autonomy does not mean separation or independence from Nicaragua. Nevertheless, it must be clarified that these 10 points are only a starting point around which the various sectors will continue to be consulted.

The members of the national commission explained that the consultation process has just begun and consultations will continue community by community until all aspects have been discussed and the contributions of each sector have been received.

This falls within the framework explained by Commander of the Revolution Luis Carrion, a member of the National Directorate, first deputy interior minister, and head of the commission, who said that a broad consultation will prevent experimental proposals and instead, will lead to proposals that are based on the people's feelings.

The national commission will leave this week for Bluefields, southern Zelaya (Special Zone 2), where it will carry out an extensive plan of popular consultations on the autonomy of the ethnic groups.

35 MISKITO REFUGEES RETURN FROM HONDURAS

PA181401 Managua BARRICADA in Spanish 15 Dec 84 p 1

[Text] El Espino Madriz Department -- Thirty-five Nicaraguan Miskitos entered the country yesterday from Honduras as a result of efforts by the UN High Commissioner for Refugees (UNHCR) in Tegucigalpa. Jose Maria Mendiluce, the UNHCR representative in Managua, said that all Nicaraguan Miskitos who are in Honduras can negotiate their return to Nicaragua through the UNHCR.

At the Honduran-Nicaraguan border, the Miskitos accepted the protection granted by the amnesty decree issued by the revolutionary government. UNHCR officials accompanied them to the immigration office located in Las Playas, 15 km northeast of Somoto, where in 2 hours they received their papers and an identification card from the state.

Luis Alvarado, A Nicaraguan Foreign Ministry official, stressed the effects carried out by his Honduran counterparts who contributed to the humanitarian action that made possible the Miskitos' return to their country. Moravian Bishop John Wilson accompanied the Miskitos when they boarded the buses that would take them to the interior of the country.

ARDE REPORTS CONSTRUCTION OF SUBMARINE BASE

PA161302 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2230 GMT 14 Dec 84

[Text] Our intelligence services have informed us that the nine totalitarians of Managua are building the biggest submarine base in Latin America in the port of San Juan del Sur. This base, added to the huge airport at Punta Huete, with landing facilities for strategic aircraft, gives all Nicaraguans a true vision of how the nine have sold our sovereignty and independence to the USSR. Our nation has no economic means to build this type of base; even less to purchase sophisticated submarines and aircraft. Therefore, all of this indicates that our country is being turned into an immense Soviet base.

People of Nicaragua, our armed struggle is justified today more than ever. The Democratic Revolutionary Alliance, ARDE, will never put down our weapons until we expel the foreign invader and the nine traitors from our soil with gunfire.

JOINT COMMUNIQUE ISSUED WITH MOZAMBIQUE

MB181026 Maputo NOTICIAS in Portuguese 5 Dec 84 p 4

[Joint communique issued in Havana on 1 December at end of visit by Mozambican Foreign Minister Joaquim Chissano]

[Text] Comrade Joaquim Alberto Chissano, minister of foreign affairs of the People's Republic of Mozambique, made an official and friendly visit to the Republic of Cuba between 25 November and 1 December 1984 at the invitation of Comrade Isidoro Malmierca, minister of foreign affairs of the Republic of Cuba.

During his stay in Cuba, Comrade Joaquim Alberto Chissano, member of the Political Bureau, secretary for external relations of the Frelimo Party Central Committee, and minister of foreign affairs of the People's Republic of Mozambique, was received by Comrade Fidel Castro Ruz, first secretary of the Communist Party of Cuba Central Committee and president of the Councils of State and Ministers of the Republic of Cuba, to whom he conveyed warm and friendly greetings from Comrade Samora Moises Machel, chairman of the Frelimo Party and president of the People's Republic of Mozambique.

He was also received by Commander of the Revolution Juan Almeida Bosque, member of the Politburo and vice president of the Councils of State and Ministers of the Republic of Cuba; Comrade Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers of the Republic of Cuba; Comrade Jorge Risquet, member of the Politburo and of the Secretariat of the PCC Central Committee; and Comrade Jesus Montane Oropesa, candidate member of the Politburo and member of the Secretariat of the PCC Central Committee. The meetings were held in an atmosphere of brotherhood and friendship.

The Mozambican minister was also received by Comrade Hector Rodriguez Llompart, member of the Central Committee and minister president of the Committee for Economic and Scientific and Technical Cooperation.

Comrade Joaquim Alberto Chissano laid a wreath at the monument of national hero Jose Marti, and toured a number of economic and cultural centers of the province and city of Havana, as well as the Isle of Youth Special Municipality, to learn about the life and fruitful work of the fraternal Cuban people in the construction of socialism.

During the visit, Ministers Joaquim Alberto Chissano and Isidoro Malmierca held talks in an atmosphere of friendship and mutual understanding. Both sides related their progress in building a socialist society in their respective countries, and exchanged views about the bilateral relations and the international situation, noting their common interest in the issues raised.

During the visit the following documents were signed:

-- Accord of cooperation between the Frelimo Party and the PCC;

-- Agreement on ideology between the Frelimo Party and the PCC for 1985/86;

-- Protocol of cultural exchange between the People's Republic of Mozambique and the Republic of Cuba.

Both ministers stressed that the fraternal, friendly, and close cooperation relations between the People's Republic of Mozambique and the Republic of Cuba have been continuously deepened and developed through Marxism-Leninism and proletariat internationalism.

They expressed the common decision of their respective governments to continue to strengthen and develop those relations in the interest of both peoples and for the sake of peace and socialism. The two sides underlined the leading role of the Frelimo Party and the PCC in consolidating the existing links between both peoples and countries, as identified through their common struggle against imperialism, colonialism, neocolonialism, racism, apartheid, and discrimination in all its forms and manifestations.

The Mozambican side highly applauded the historical successes attained by the Cuban people under the leadership of the PCC in building their socialist society, and reaffirmed the consistent support of the Mozambican people and their government for the struggle of the Cuban people to defend their revolutionary gains in the face of hostile American imperialism. Likewise, it underlined the importance of the Republic of Cuba's international aid, as well as its role in strengthening the unity within the Movement of the Nonaligned Countries.

The minister of foreign affairs of the People's Republic of Mozambique vigorously condemned imperialism's aggressive plans against the Cuban revolution, its economic blockade against the Republic of Cuba, and its interference in Cuba's internal affairs, and called for the return of the territory illegally occupied by the U.S. naval base in Guantanamo.

The Cuban side reiterated its total support for the noble efforts made by the people and Government of the People's Republic of Mozambique under the leadership of their vanguard party, the Frelimo Party, to fulfill the decisions of the Fourth Frelimo Party Congress, which aimed at establishing a basis for developing a socialist society in Mozambique.

The Cuban minister highly praised the courage and determination of the Mozambican people in the struggle against the imperialist forces and their counterrevolutionary agents: the armed bandits and the mercenaries trained, equipped, financed, and infilrated into the Mozambican territory by the South African regime with the intent of destroying the process of building socialism in Mozambique.

In assessing the level of cooperation between Mozambique and Cuba, both ministers again stressed the importance and value of the treaty of friendship, cooperation and aid signed between the two countries, as well as other Mozambican-Cuban accords for the strengthening of mutually advantageous cooperation between both sides.

Both sides stressed the firm efforts made by the two governments toward the multilateral strengthening of the relations of friendship and cooperation with all socialist countries and progressive countries, the main bulwark of the forces of peace and progress.

In this context they stressed the importance of strengthening the links and unity of action between the socialist and progressive countries and the revolutionary and democratic forces throughout the world in support for the national liberation movements.

Both ministers expressed their concern over the extremely dangerous deterioration of the world situation as a result of the aggressive policy of the imperialist forces. The two sides believe that the maintenance of peace, the end of the arms race, and the adoption of concrete measures for disarmament, first in the nuclear field, is a priority task of our age.

Both sides pointed out the danger that the installation of medium-range nuclear missiles in the territory of some Western European countries represents for world peace, and called for the adoption of immediate measures for the limitation of nuclear weapons and to avoid the militarization of space.

The People's Republic of Mozambique and the Republic of Cuba expressed their profound concern for the tragic consequences faced by countries in view of the rapid deterioration of the international economic situation, as evident from the growing external debt of those countries and the growing gap between them and the capitalist developed countries.

The two sides reaffirmed their support for the measures adopted at the Seventh Summit of the Nonaligned Movement which called for urgent actions that would lead to a solution to the crisis in the developing countries with a view to establishing a new international economic order.

In examining the situation in Latin America, both sides noticed with concern the seriousness of the situation in Central America and the Caribbean due to the escalation of interferences, and the military threat carried out by the United States aimed at destroying the Nicaraguan revolution and stopping the revolutionary process in El Salvador. They expressed their solidarity with the Salvadoran people and the Farabundo Marti National Liberation Front and Revolutionary Democratic Front.

Both sides expressed themselves in favor of a political and just solution of the conflicts in this region, and stated their support for the initiatives of the Government of Nicaragua and the efforts of the Contadora Group.

Both sides reiterated their support for internationalist solidarity with the Nicaraguan people in their struggle for the defense of freedom, independence and the revolutionary gains in their country, and demanded an end to maneuvers and subversive actions carried out by imperialism against Nicaragua.

The two delegations showed their profound preoccupation with the dangers that threaten the revolutionary process in Nicaragua, such as the growing threat of an imperialist military intervention. Accordingly, Mozambique and Cuba believe that the United States must accept the verdict of the International Court of Justice on 10 May regarding the rights of Nicaragua to political sovereignty, and desist from all military and paramilitary activities that violate the principles of international law.

Both delegations reaffirmed their firm condemnation of the U.S. aggressive and interventionist policy which was displayed with particular cruelty in the invasion of Grenada, and demanded the immediate withdrawal of the intervention forces that occupy Grenada.

The ministers of Mozambique and Cuba expressed their support for the just struggle of the Puerto Rican people for their self-determination. They also called for the solution of the problem of the Malvinas based on the resolutions adopted by the United Nations on the matter.

Both delegations spoke in favor of the struggle of the people of Panama for the recovery of sovereignty over the canal zone.

The two sides reiterated their full support for and solidarity with the revolutionary struggle of the heroic people of Chile against the facist regime of Augusto Pinochet.

In examining the situation in Africa, both delegations exposed the economic and military cooperation between the imperialist forces and the racist regime of Pretoria, which enables the continuation of the policy of pressure [pressao] practised in South Africa and Namibia, and the aggressions against the frontline states and Lesotho, and in addition to this the support for the presence of counterrevolutionary gangs in the region, which are directed in particular against Angola, Mozambique, Lesotho, and Zimbabwe.

The two delegations firmly condemned the permanence of racist South Africa troops in southern Angola and demanded their withdrawal, as well as an end to the aid they give to the UNITA counterrevolutionary gangs. They also reaffirmed their militant solidarity with the MPLA and the Angolan people.

The Mozambican minister appreciated highly the internationalist contribution of Cuba to the cause of independence and the territorial integrity of the People's Republic of Angola.

Both delegations agreed that the true solution to the problem of Namibia must be based on the strict application of UN Resolution 435, which has the support of the international community, and compliance with the resolutions of the Nonaligned Movement and the OAU. Likewise, they expressed their firm solidarity with SWAPO, the sole and legitimate representative of the Namibian people.

The Mozambican side and the Cuban side decisively dealt with the racist regime of South Africa. They also expressed their militant solidarity with the heroic struggle of the South African people, led by the ANC, against racism and apartheid, and for the establishment of a free, democratic, and just society.

In examining the situation in Western Sahara, the ministers expressed their support for the OAU resolutions, as well as others adopted by the Nonaligned Movement on the matter. The two sides were pleased to note the participation of the Saharan Democratic Arab Republic as a full member of the OAU, which occurred for the first time during the 20th summit.

Regarding the situation in Chad, both ministers spoke in favor of a solution that respects the legitimate interests of the Chadian people and is in compliance with the OAU resolutions on the matter.

The ministers of foreign affairs of Mozambique and Cuba expressed their total support for socialist Ethiopia and hailed the successes in the consolidation of the revolutionary process of that fraternal country.

Both sides stressed the importance and the usefulness of the OAU and the irreplaceable role it plays in the defense of the most legitimate interests of the African peoples and in favor of independence and national sovereignty.

They also reaffirmed their belief that the organization has become increasingly stronger and is even more united after the 20th summit, despite attempts by imperialism and reaction to divide it and oppose the people and the African countries.

Accordingly, both ministers warmly hailed esteemed Comrade Julius Nyerere on his election as the new OAU chairman, and wished him fraternal successes in the honorable task for which he was appointed.

With regard to the situation in the Middle East, both sides pointed out that the aggressive and expansionist policy of Israel is the essential cause of the deterioration of the situation in the Middle East, particularly in Lebanon. Accordingly the ministers of Mozambique and Cuba reaffirmed that no solution to the crisis can be achieved unless Israel withdraws its forces from the Arab territories that it has been occupying since 1967, and the legitimate rights of the Palestinian people for the creation of their own independent nation are recognized. They called for an international conference of all interested parties, including the PLO, the sole and legitimate representative of the Palestinian people.

The two sides expressed their concern in view of the continuation of the confrontations between Iran and Iraq and reiterated their appeal to both nations to make the necessary efforts for the attainment of a just and honorable solution to this conflict, which would benefit the peoples of both countries and assist in the strengthening of unity within the Nonaligned Movement.

The two sides stressed that the solution of the Southeast Asian problem will only be possible through political dialogue between the interested parties and without foreign intervention. Mozambique and Cuba firmly condemned the armed aggressions by Thailand against the Lao People's Democratic Republic. They spoke in favor of peace and cooperation in Southeast Asia and expressed their support for the government of the People's Republic of Kampuchea, the authentic representative of the Kampuchean people.

The two ministers firmly supported the efforts of the people and government of the Democratic Republic of Afghanistan in the defense of the gains of the April Revolution, and called for a political solution to the tense situation created around that country.

Both sides again spoke in favor of the just struggle of the people of Korea for the reunification of their fatherland on a peaceful and democratic basis without foreign interference.

The ministers once again confirmed their support for the efforts of the Nonaligned Nations, with a view to an urgent appeal for an international conference, with the objective of transforming the Indian Ocean into a peaceful and denuclearized zone.

Mozambique and Cuba vigorously condemned the criminal assassination of Indira Gandhi, the former Indian prime minister and chairman of the Nonaligned Movement, who with her tireless tenacity and clear-sighted policy continued the movement's struggle against imperialism, colonialism, racism, and apartheid.

On the importance of the Nonaligned Movement and the important role that it plays in the international arena, both sides reiterated their decision to continue to render to the movement all their efforts and contribution to pursue the work begun by Mrs Gandhi in the struggle for peace and the development of peoples.

The two ministers expressed satisfaction with the excellent results of the visit by the Mozambican minister to Cuba, and the climate of understanding, fraternity and friendship which characterized the development of the talks, thus contributing to the further strengthening of bilateral relations which link the peoples, parties, and governments of the People's Republic of Mozambique and the Republic of Cuba.

Comrade Joaquim Alberto Chissano expressed gratitude to Cuba for the warm and fraternal reception he was given during his stay in Cuba. He also invited Comrade Isidoro Malmierca, the foreign minister of the Republic of Cuba, to visit Mozambique at a most appropriate time. The invitation was accepted with pleasure and the date will be fixed in due time through the appropriate diplomatic channels.

SOVIET MARSHAL KURKOTKIN, DELEGATION ARRIVE

FL181256 Havana Domestic Service in Spanish 1145 GMT 18 Dec 84

[Text] Marshal of the Soviet Union Semen Kurkotkin arrived yesterday in Cuba heading an Armed Forces delegation from the USSR. Marshal Kurkotkin is a deputy defense minister, chief of the Rear Services, CPSU Central Committee member, and Hero of the Soviet Union.

Greeting him was Division General Abelardo Colome Ibarra, alternate Politburo member and first deputy defense minister, and other chiefs and officers.

During their stay in Cuba, the delegation will visit units and military training schools, and places of historic interest.

CUBANS HELP CONSTRUCT ANGOLA MILITARY HOSPITAL

FL181623 Havana Domestic Service in Spanish 1400 GMT 18 Dec 84

[Text] In Luanda, Angola, the first phase of a military hospital's expansion has been completed because of the energetic efforts of Cuban combatants, construction workers, and internationalist technicians, and a group of Angolan workers.

Rodolfo Fuentes Ferro, our country's ambassador to Angola, said that when the Luanda military hospital expansion project is finished it will have 200 additional beds.

Fuentes, who is also an alternate member of the party Central Committee, spoke at an appreciation ceremony for all Cuban internationalist workers involved in the project, and dedicated the first phase [of the project] to the 28th anniversary of the Revolutionary Armed Forces. Cuba's Ambassador to Angola Rodolfo Fuentes Ferro said Luanda's military hospital expansion project would have taken several years to complete. This is why it was decided to utilize our country's force and technology in the sister country.

BRAVO ANNOUNCES AGENDA OF 7TH ANPP SESSION

FL181916 Havana Domestic Service in Spanish 1800 GMT 18 Dec 84

[Excerpts] Flavio Bravo Pardo, Central Committee member and president of the National Assembly of People's Government [ANPP], has held a press conference to announce the agenda of the seventh ANPP legislative session. The agenda includes: the discussion and approval of projected laws on housing, state notaries, the single economic and social development plan, the 1985 national budget proposal, and the labor code. Also at the seventh ANPP regular session, reports will be presented by the Councils of State and Ministers, the Ministry of Higher Education, and Pinar del Rio's People's Provincial Assembly.

MIRET OPENS STEELWORKING INDUSTRY MEETING

FL182000 Havana Domestic Service in Spanish 1700 GMT 18 Dec 84

[Text] The first scientific-technical forum on the nation's steelworking industry has opened at Havana's Palace of Conventions with Pedro Miret Prieto, Politburo member, presiding over the inaugural plenary session.

The more than 900 participants will discuss 116 topics at the meeting which will end tomorrow. The meeting's purpose is to contribute to the strengthening and linking of research units and groups. The committees will study metallurgy, the car industry, equipment, industrial plants, energy, cooling and all conditioning, electronics, electrotechnology, and general application systems.

Attending the opening session were Marcos Lage, minister of the steelworking industry, and Eugenio Mainegra, chief of the Central Committee's department of industry.

CARICOM MINISTERS TO STUDY REACTIVATING CMCF

FL182050 Bridgetown CANA in English 1652 GMT 18 Dec 84

[Text] Georgetown, Guyana, Dec 18, CANA -- Caribbean Community (Caricom) Secretary General Roderick Rainford says a finance ministers meeting is being planned for next month to look at the feasibility of reactivating the suspended Caricom Multilateral Clearing Facility (CMCF). The CMCF, a credit mechanism to facilitate intra-regional trade, was suspended early last year after its 100,000 dollar (U.S.) credit ceiling was reached. Its collapse was cited as one of the reasons for a 13 per cent drop in trade among the 12 members of the common market last year.

Rainford said that at the finance ministers meeting we will be able to see how far we will be able to go in reactivating the CMCF. A great deal of momentum, a great deal of action on the matter is going on at the present time with the expectation that the finance ministers will meet before the end of next month on the basis of technical discussions that are now being held, including direct discussions on a bilateral basis between various member states, he added.

He continued: Generally, the critical issue is the issue of adequate credit arrangements to support and sustain inter-regional trade, and whether these arrangements will take a specific kind of reactivation of the CMCF as we know it or the putting in place of some similar agency or similar facility is something we will have to wait and see. A venue and dates for the meeting were not announced. Rainford said it had been hoped that the reactivation would have taken place before the end of this year but problems arose, and after that for one reason or another we were not able to make that deadline.

CDB LENDS LIAT $9 MILLION FOR AIRCRAFT PURCHASE

FL182312 Bridgetown CANA in English 2225 GMT 18 Dec 84

[Text] Bridgetown, Barbados, Dec 18, CANA -- The Caribbean Development Bank (CDB) has approved a nine million dollar (U.S.) loan for the Eastern Caribbean's island-hopping airline LIAT (1974) Ltd after talks between the airline and the European Economic Community (EEC) on the purchase of four new aircraft broke down last month, it has been officially announced here. CDB Vice-President Neville Nicholls said the loan was approved by the bank's board of directors last Thursday, paving the way for the purchase of two new 48 to 50-seater planes for LIAT's aging fleet.

The EEC had been insisting that LIAT buy an untried and untested [words indistinct] the ATR-42, which it said was the most economic buy. LIAT, supported by the CDB, had opted for the Super-748, a modern version of the British-made Avro which it has been using.

Nicholls said it was now up to Caribbean Community (Caricom) governments, which own the airline, to decide what they want to do with the EEC's 20 million dollar (U.S.) grant.

Airline officials said LIAT was expected to receive the Avro's this week to boost its capacity to meet the winter trade demands. The planes will be on a short-term lease arrangement pending long-term funding from the CEB. The bank's funding will allow LIAT to buy aircraft from manufacturers in either Canada, the United Kingdom, or France. The CDB aid package will come from its special development fund resources.

Nicholls said the CDB had been holding discussions with Britain and Canada on the purchase of planes for LIAT.

Leaders of the seven-member Organisation of Eastern Caribbean States (OECS), whose governments are among LIAT's owners, had expressed support for the Liat-CDB position and condemned the EEC attitude to the negotiations.

BARBADOS

TRADE BALANCE DEFICIT CONTINUES

FL141630 Bridgetown CANA in English 2208 GMT 13 Dec 84

[By Irvine Ried]

[Text] Bridgetown, Barbados, Dec 13, CANA -- Barbados collected an additional 119.4 million dollars (one Bds dollar; 50 cents U.S.) from its exports in the first nine months of this year, against January to September sales. But the island still ended last September with a 385.5 million dollar unfavourable trade balance, according to official figures released here today.

Exports for the period January to September 1984 landed Barbados 609.1 million dollars compared to the 490.7 million dollars for the same period in 1983. But imports rose by 122.1 million dollars, from 870.5 million dollars from January to September 1983 to 992.6 million dollars for the corresponding period in 1984.

More than 40 per cent of Barbados exports during the January to September period this year comprised electronic equipment, which netted 283.2 million dollars, against the 1983 January-September revenue of 217.4 million dollars. Imports of electronic equipment rose by 31.2 million dollars from 323.5 million in the first nine months of last year to 354.7 million dollars.

Barbados exports to the Caribbean Community (Caricom) during the first nine months of this year rose by 16 million dollars while imports increased by 14.8 million dollars for the same period this year. For January to September 1984 Barbados sold the community 122 million dollars worth of goods, compared with 106 million dollars for the same period last year. The cost of this country's imports from Caricom was put at 117.2 million dollars for the period, against 102.4 million dollars for January-September last year.

The value of Barbados exports to non-Caricom countries rose by 102.3 million dollars from 384.7 million dollars to 487 million. Barbados imports: from non-Caricom countries rose by 107.3 million dollars from 786 million to 875.3 million [as received].

Barbados exports of food and live animals during the first nine months of this year totalled 73.8 million dollars, against 57.4 million dollars for the same period last year. Imports of the same commodities moved from 106.7 million dollars last year to 116.3 million this year. Exports of mineral fuels and lubricants rose from 72.6 million dollars to 113.3 million dollars and imports from 92.7 million to 165.6 million.

Further Details

FL171934 Bridgetown CANA in English 2042 GMT 16 Dec 84

[By Irvine Reid]

[Excerpt] Bridgetown, Barbados, Dec 16, CANA -- Barbados trade with oil Trinidad and Tobago period declined by 9.8 million dollars, from 63.3 million dollars in 1983 to 53.5 million dollars for the same period this year. [sentence as received]

Imports from the twin-island Republic during the period stood at 87.8 million dollars as against 74.8 million dollars for the same period in 1983, an increase of 13 million dollars.

Exports to Jamaica during the first nine months of this year declined by 8.5 million dollars from 16 million dollars in 1983 to 7.5 million dollars this year, while imports were worth 16.1 million dollars as against 16 million dollars in 1983.

Barbados sold Guyana more than 27.9 million dollars in goods during the first nine months of this year. Exports were put at 31 million dollars as against 2.1 million dollars for the same period last year while that country sold Barbados 5.1 million dollars in goods compared with 3.7 million dollars for the same period last year.

Barbados sold Antigua and Barbuda 5.1 million dollars worth of goods during the first nine months of this year as against three million dollars for the same period last year, while imports were 1.2 million dollars for the same periods in 1983 and 1984.

Exports to St Lucia moved from 6.4 million dollars last year to 8.3 million dollars this year, while Barbados bought 3.2 million dollars in goods as against 3.1 for the corresponding period in 1983.

Barbados sold St Vincent and the Grenadines 5.2 million dollars worth of goods this year compared with 4.5 million dollars for the same period last year, and imported 1.7 million dollars compared with 1.6 million dollars in 1983.

GRENADA

BLAIZE RESPONDS TO PROTESTS ON APPOINTMENTS

FL181430 Bridgetown CANA in English 1420 GMT 18 Dec 84

[Text] St George's, Grenada, Dec 18, CANA -- Prime Minister Herbert Blaize has gone on radio to calm angry supporters of two new parliamentarians of his New National Party (NNP) who have not yet been assigned government jobs.

Blaize announced his cabinet and other appointments Friday during a thanksgiving service, but the names of small business proprietors Phinsley St Louis and Grace Duncan were missing. They represent the St George South and St John constituencies, respectively, previously strongholds of the opposition Grenada United Labour Party which gained one seat to the NNP's 14 in the 15-member House of Representatives in general elections two weeks ago. [Words indistinct] their representatives from the list of appointees after the service.

In response, Blaize, in a message frequently repeated on Radio Grenada, referred to the matter as a regrettable omission and promised jobs for both Duncan and St Louis. Louis would be given an unspecified job in parliament when it convenes December 28, while Duncan had been offered a special position, he said.

FOREIGN MINISTER STRESSES GOOD RELATIONS

FL182104 Bridgetown CANA in English 1717 GMT 18 Dec 84

[Text] St George's, Grenada, Dec 18, CANA -- Grenada's new Foreign Minister Ben Jones says the main thrust of government's foreign policy would be to restore the island's good relations with its Caribbean neighbours and friends outside the region.

Jones, a lawyer, said the New National Party (NNP) administration intends to pay more attention to the 13-nation Caribbean Community (Caricom) of which Grenada is a member. He said government was interested in strengthening relations with our neighbours, and we are going to be giving prime attention to that side of our affairs.

Relations between Grenada and some of its neigbours, particularly Guyana and Trinidad and Tobago, soured following the U.S.-led invasion of the island last year to unseat a Marxist military junta that had seized power in a bloody coup in which Prime Minister Maurice Bishop died. Jones said that since the NNP took office following the December 3 general elections, several countries including France, Japan, Canada, Britain, South Korea, China, and Venezuela have shown interest in having improved relations with the island. He said the Chinese have asked government to establish diplomatic relations and offered economic assistance. We are investigating both aspects of their offer to see what we can make of it. We are not saying yes or no to anything. We are investigating every offer and every invitation, he added. Jones said: We haven't gone into the details but the Chinese are more concerned with agriculture than industry, and if assistance were to come at all, it would be more in that area.

INTERNATIONAL MONETARY FUND ISSUES FORECAST

FL181700 Bridgetown CANA in English 1615 GMT 18 Dec 84

[Excerpts] St George's, Grenada, Dec 18, CANA -- The International Monetary Fund (IMF) has said in a confidential report that the new Grenada Government should maintain a policy of wage restraint for civil servants in light of the islands' substantial debt service burden. It is said the island needed sustained expansion of the private sector to reduce unemployment and to facilitate the transfer of employees out of the public sector.

The current account deficit of the balance of payments is expected to reach 41 per cent of GDP (gross domestic product) this year, up from 39.5 per cent in 1983, the report said, adding: The overall balance of payments is expected to be in surplus in 1984, reflecting repayments to the Fund and the reduction of arrears incurred in 1983.

Imports, it said, are expected to rise substantially, reflecting an increase in public sector investment and in private direct investment. And the Fund estimated that additional foreign financing of six million U.S. dollars would be needed in 1985. With respect to imports, the authorities have already eliminated licensing requirements, which had been applicable to all imports, except for 48 items which remain subject to licensing and account for a small percentage of the total volume of imports, it added.

The report noted that Grenada anticipates a substantial increase in direct foreign investment in 1985 and beyond in response to the generous incentives envisaged in the draft investment code done by the interim government.

On external debt service, the Fund said this remained relatively low throughout 1983 when total repayments for interest and amortisation (including overdue obligations) reached 6.5 per cent of exports of goods and services and 8.4 per cent of public sector current revenues.

Because of scheduled repayments to the Fund, as well as payments on principal and interest on non-concessionary debts contracted in 1981-83 (mainly for construction and equipment of the international airport), total debt service is expected to rise in 1985 to a peak of 19 per cent of export goods and services and to 27 per cent of public sector current revenues, it added.

The report said that the outlook for 1985 was for a recovery of exports based on higher prices and a return to normal volumes of productionfor bananas and nutmeg, as well as increased exports of manufactured products.

With respect to traditional export crops, the Fund said the sale of cocoa was expected to increase in value reflecting both higher prices and increased output, and that prospects for banana exports continue to be relatively unfavourable given low yields and the prices fetched for the commodity. Additionally, it said the future of nutmeg and mace sales would depend on the success of a market campaign recently initiated by the island in the United States.

On tourism, the report indicated that the authorities believe the new international airport in the south of the island would provide a strong impetus to the industry and as such are in the process of negotiating with airlines and hotel management operators on ways to promote and support the development of the sector.

MBPM EXPELS MEMBER FOR MEETING WITH GULP

FL181932 Bridgetown CANA in English 1916 GMT 18 Dec 84

[Text] St George's, Grenada, Dec 18, CANA -- The leftwing Maurice Bishop Movement (MBPM) says it has expelled Kennitha Gittens-Thompson, 27, a candidate in recent general elections here, over an unauthorised meeting she had last week with right-wing opponents on protesting the outcome of the December 3 poll.

when Sir Eric Gairy, political head of the Grenada United Labour Party (GULP) first announced that the two sides had met to discuss joint protest against the alleged rigging of the election-- both parties were badly beaten -- the MBPM denied there was any such contact. But in a new statement here today, the MBPM said an investigation revealed Gittens secretly met with...Gairy last week, without the knowledge or consent of the leaders of our party. We have therefore decided that as from ... December 15, 1984, Ms Kennitha Gittens is expelled from our party, the statement added.

At the weekend, Gittens-Thompson told reporters she was resigning from the MBPM because party leaders Kendrick Radix and George Louison browbeat and pressing her into signing a statement about the talks. The lone MBPM woman candidate in the election, Gittens-Thompson acknowledged she had not notified the party leadership about the meeting with the GULP. She said that after discussing the planned meeting with a close advisor of Radix she felt her decision would have been approved by the MBPM leadership. She said after signing a statement to the MBPM on the issue, Radix and Louison added the words: I wish to apologise to the party and the people for the damage this incident has caused. Gittens-Thompson said she saw no cause for apology.

ECUADOR

NICARAGUAN AMBASSADOR ON CONSUL'S 'WITHDRAWAL'

PA190000 Quito Radio Quito in Spanish 2300 GMT 17 Dec 84

[Text] The Ecuadoran Government has expelled Nicaraguan Consul Jose Angel Incer on charges of meddling in the country's political and internal affairs. Incer said that the reason for his expulsion could be his recent visit to [word indistinct] where he was invited by the Ecuadoran Human Rights Commission to lecture on the Nicaraguan situation.

Regarding Incer's expulsion, Nicaraguan Ambassador Oscar Cortes said that the statements Incer made before leaving expressed his personal opinion and by no means affected the position of the Nicaraguan Government.

[Begin Cortes recording] I must explain that Incer's statements do not represent the opinion and position of the Nicaraguan diplomatic mission or the Nicaraguan Government. It is the sovereign right of a government to request the withdrawal of an official on a diplomatic mission and also to reject the appointment of an ambassador. Acting on this right, the Ecuadoran Government requested the withdrawal of Incer, which I ordered immediately. It is my government's policy to maintain the best relations with all countries, especially with sister countries and governments such as Ecuador, with which we have normal relations.

The withdrawal of Incer in no way means a deterioration in relations between the two governments. [end recording]

PERU

JUSTICE MINISTER ARIAS SUBMITS RESIGNATION

PY181244 Lima Televisora Lima in Spanish 0300 GMT 18 Dec 84

[Excerpt] Justice Minister Max Arias Schreiber said today that he has submitted his irrevocable resignation to the president of the Republic. He explained that he is not resigning because of disagreements, but because he wants to resume his professional activities.

STATE OF EMERGENCY EXTENDED IN HUANUCO, SAN MARTIN

PY181800 Paris AFP in Spanish 0348 GMT 18 Dec 84

[Text] Lima, 17 Dec (AFP) -- The Peruvian Government today extended the state of emergency in Huanuco Department and in Mariscal Caceres and Tocache Provinces, San Martin Department, which is located east of Lima, until 4 February 1985.

The state of emergency has been in force in that area, which is made up of eight provinces, since July. Sixteen provinces in the Departments of Ayacucho, Huancavelica, and Apurimac, which are located in the Andean region southeast of Lima, have been under the state of emergency for a long time. Thus, the Armed Forces will stay in the area to guarantee tranquillity and social peace.